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STATEMENT OF INFORMATION

HEARINGS

BEFORE THE

COMMITTEE ON THE JUDICIARY

HOUSE OF REPRESENTATIVES

NINETY-THIRD CONGRESS

SECOND SESSION

PURSUANT TO

H. Res. 803

A RESOLUTION AUTHORIZING AND DIRECTING THE COMMITTEE
ON THE JUDICIARY TO INVESTIGATE WHETHER SUFFICIENT
GROUNDS EXIST FOR THE HOUSE OF REPRESENTATIVES TO
EXERCISE ITS CONSTITUTIONAL POWER TO IMPEACH

RICHARD M. NIXON

PRESIDENT OF THE UNITED STATES OF AMERICA

BOOK VI—PART 2

POLITICAL CONTRIBUTIONS BY
MILK PRODUCERS COOPERATIVES:
THE 1971 MILK PRICE SUPPORT DECISION

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STATEMENT OF INFORMATION

POLITICAL CONTRIBUTIONS BY
MILK PRODUCERS COOPERATIVES:
THE 1971 MILK PRICE SUPPORT DECISION

Part 2

23. On March 17, 1971 Colson sent a memorandum to Haldeman's aide Gordon Strachan attaching memoranda from Colson's file regarding the milk producers' political contributions and saying this is now in your department. On March 18, 1971 Dean sent to Kalmbach and other Presidential campaign fundraisers a draft charter for a political committee to serve as a model to be used in connection with the milk producers' association. Haldeman has stated that on an uncertain date he had a conversation with Connally regarding the establishment of mechanics for receiving milk producer contributions.

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24. On March 19, 1971 Ehrlichman, Shultz, Whitaker, Cashen, and other White House aides met in Ehrlichman's office with Campbell and Hardin and discussed the milk price support issue.

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26. Following the Secretary of Agriculture's announcement that the milk price support level would be maintained at \$4.66 per cwt., dairy cooperative leaders determined to cancel the plans they had made in February 1971 to contribute between \$60,000 and \$100,000 at a Republican dinner scheduled for March 24, 1971. Prior to March 22, 1971 dairy cooperatives did not purchase tickets to the dinner. On March 22, 1971 AMPI treasurer Bob Lilly drew checks totalling \$10,000 for tickets to the dinner. Lilly has testified that this was the usual amount that would normally have been contributed.

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27. On March 22, 1971 Whitaker sent the President a memorandum for the President's meeting with AMPI officials scheduled for the following day. The memorandum stated that the dairy lobby had become very strong and lately had decided, like organized labor, to spend a lot of political money. The memorandum also stated that Ehrlichman, Shultz, Cashen, Assistant OMB Director Rice and other White House officials had met with Hardin and Under Secretary of Agriculture Campbell on the problem on March 19, 1971 and recommended that the President hold the line, listen to the dairymen's arguments, and await developments on the bill in the next two weeks to see if the Democrats could move on the bill.

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28. At approximately 10:16 a.m. on the morning of March 23, 1971 Secretary Connally spoke by telephone with the President. According to a memorandum by Whitaker, Connally suggested that the President go along with the dairymen he was scheduled to meet at 10:30 a.m. and announce that he was ready to go to 85% of parity (\$4.92).

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29. On March 23, 1971 from 10:30 to 11:25 a.m. the President, Hardin, Shultz, Whitaker and other White House and Department of Agriculture officials met in the Cabinet Room of the White House with Nelson, Parr, Harrison and approximately 15 other representatives of AMPI and other dairy cooperatives. They discussed political support, price support levels and other matters.

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33. During the night of March 23, 1971 AMPI officials flew to Louisville, Kentucky, the home of Dairymen, Inc. (DI), another large milk producers cooperative and met at about 4:00 a.m. on March 24, 1971 with Paul Alagia, an official of DI who had attended the March 23, 1971 morning meeting with the President. They discussed political contributions including the possibility of an immediate contribution to purchase tickets to a Republican fundraising dinner to be held that evening. They also discussed loans among their organizations for the purpose of making contributions. During the afternoon of March 24, 1971 a DI contribution \$25,000 was flown to Washington and given to several Republican committees to buy seats to the dinner.

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34. Kalmbach has testified that pursuant to a telephone call he received from Ehrlichman on March 23, 1971, Kalmbach met with Ehrlichman at 5:30 p.m. on March 24, 1971 and was told by Ehrlichman that he would be meeting with Chotiner later that evening to receive a reaffirmation of the \$2 million pledge. During the night of March 24, 1971, following the Republican fundraising dinner, Chotiner, Kalmbach and AMPI General Manager Nelson met in Washington, D.C. in Kalmbach's hotel room. Kalmbach has testified that Chotiner said that in view of the price support decision to be announced the next day the milk producers were reaffirming to Kalmbach their pledge of \$2 million to the 1972 campaign. Chotiner has stated that as a result of a conversation with Ehrlichman he met with Nelson and Kalmbach and discussed contributions but they did not discuss price supports or a definite amount to be contributed. Nelson has testified that they met and discussed contributions. Kalmbach has testified that on March 25, 1971 he reported to Ehrlichman that Chotiner and Nelson had reaffirmed their \$2 million pledge to the campaign.

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35. On March 24, 1971 Campbell sent to Rice a draft press release announcing an increase in milk price supports for use when action was completed on the subject. On March 25, 1971 the Secretary of Agriculture officially announced that the milk price support level for the 1971-72 marketing year would be \$4.93 per cwt. (approximately 85% of parity). Hardin has testified in an affidavit filed in civil litigation challenging the milk price support increase that he reevaluated the evidence regarding the milk price support level, and that the decision to set the price support level at \$4.93 was based entirely on a reconsideration of the evidence on the basis of the statutory criteria.

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36. Between March 30, 1971 and August 5, 1971 Harrison and Chotiner transmitted to AMPI the names of 100 political committees to receive contributions and over spring and summer of 1971 AMPI and the other dairy cooperatives made contributions of \$2,500 each to the committees. The names and charters of the committees were prepared by Presidential campaign fundraisers Bob Bennett and Hugh Sloan with the assistance of John Dean. Haldeman received reports from Dean and Strachan regarding the collection and handling of the milk money. On September 11, 1971 Strachan sent a memorandum to Haldeman stating that fundraiser Lee Nunn reported that \$232,500 of milk money had been realized. Strachan stated that this was slightly more than one-half of the amount that should have been realized on the commitment (\$90,000 per month). Throughout this period dairy cooperative representatives referred to the commitment to make contributions to the President's reelection campaign.

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37. In August 1971 Colson asked that AMPI make a contribution to People United for Good Government, a political committee, without specifying the purpose of the contribution. On September 2, 1971 AMPI contributed \$5,000 to People United for Good Government. Without the knowledge of AMPI officials, this money was later used to reimburse Joseph Baroody of Wagner & Baroody for funds he had loaned to Colson. The loan had been used to pay expenses incurred by the White House Special Investigations Unit (the "Plumbers") in connection with the break-in of the offices of Daniel Ellsberg's psychiatrist.

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38. On September 3, 1971 the President delivered a speech to the
AMPI convention in Chicago, Illinois.

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38.1 President Nixon remarks, September 3, 1971,
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39. In mid-September 1971 newspaper articles were published about AMPI's contributions suggesting they influenced the March 1971 milk price support decision. According to reports filed with the Clerk of the House of Representatives, AMPI made no direct contributions to the President's re-election campaign after September 10, 1971.

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Note: The Committee has on file copies of the TAPE (AMPI political trust) reports to the Clerk of the U.S. House of Representatives.

40. On November 22, 1971 Deputy Assistant to the President John Whitaker prepared and signed a "Memorandum to the President's File" dated that day regarding the President's afternoon meeting of March 23, 1971 on milk price supports. Thereafter the memorandum was re-dated to March 23, 1971. On July 11, 1973 the file copy of the memorandum dated November 22, 1971 was listed under claim of executive privilege in civil litigation in United States District Court challenging the March 1971 milk price support decision as being unlawfully based on political considerations. On November 16, 1973 Special Counsel to the President J. Fred Buzhardt filed the affidavit informing the court of the fact that the memorandum had been re-dated. Buzhardt stated in the affidavit that it had been informally ascertained from the originator of the memorandum that the date on the original was apparently changed by persons unknown.

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41. On January 24, 1972 a civil suit was filed in United States District Court for the District of Columbia challenging the March 1971 milk price support increase as unlawfully based on political considerations and campaign contributions. After February 1, 1972 Counsel to the President John Dean reported regularly on the litigation to Halderman and Ehrlichman.

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42. In January and February 1972 Kalmbach and AMPI representatives discussed procedures whereby AMPI could resume making political contributions without the contributions being made public. In March or early April 1972, following attempts by AMPI to get the Department of Justice to drop an antitrust suit against AMPI, Kalmbach told AMPI representatives that he would not accept additional AMPI contributions.

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42.7 Herbert Kalmbach testimony, SSC Executive Session, June 13, 1974, 1-2.*	942

43. On the list of pre-April 7, 1972 contributions prepared by the Finance Committee to Re-elect the President and sent to the President's personal secretary, Rose Mary Woods, contributions by the dairy organizations are listed separately under the heading: "house account."

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44. On October 21, 1972 Lee Nunn, who had taken over Kalmbach's responsibilities as a major Presidential campaign fundraiser, met with AMPI General Manager George Mehren and asked AMPI to make an additional substantial contribution to the President's re-election campaign. Nunn has testified that when Mehren stated AMPI could not make additional contributions to Presidential candidates, Nunn suggested that AMPI make a contribution to the Republican Congressional and Senatorial campaign committees. Nunn has testified that he reported to Maurice Stans, Chairman of both the Republican National Finance Committee and the Finance Committee to Re-elect the President, that AMPI could not contribute to the Presidential campaign but would probably contribute to the Congressional campaigns and that Stans told Nunn to contact the two Republican-Congressional campaign committees and see if they could not make some repayment on loans that had been advanced.

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45. On October 27, 1972 AMPI contributed over \$300,000 to the Republican Senatorial and Congressional campaign committees. Thereafter \$200,000 was used by the Congressional and Senatorial campaign committees to repay loans from the Republican National Finance Committee. On November 6, 1972 and November 13, 1972, \$200,000 was transferred by the Republican National Finance Committee and its subsidiary Republican Campaign Committee to the Finance Committee to Re-elect the President.

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STATEMENT OF INFORMATION

AND

SUPPORTING EVIDENCE

POLITICAL CONTRIBUTIONS BY

MILK PRODUCERS COOPERATIVES:

THE 1971 MILK PRICE SUPPORT DECISION

Part 2

23. On March 17, 1971 Colson sent a memorandum to Haldeman's aide Gordon Strachan attaching memoranda from Colson's file regarding the milk producers' political contributions and saying this is now in your department. On March 18, 1971 Dean sent to Kalmbach and other Presidential campaign fundraisers a draft charter for a political committee to serve as a model to be used in connection with the milk producers' association. Haldeman has stated that on an uncertain date he had a conversation with Connally regarding the establishment of mechanics for receiving milk producer contributions.

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23.3 H. R. Haldeman interview, SSC Executive Session, January 31, 1974, 20-21.	510

23

WH

THE WHITE HOUSE
WASHINGTON

001785

March 17, 1971

TO: Gordon Strachan

FROM: Chuck Colson

This is now in your department.

Would you please keep this, destroy
it or whatever you want.

WH

W Colson

THE WHITE HOUSE
WASHINGTON

Chas Colson
OK
LH

EEES ONLY

WH

February 2, 1971

MEMORANDUM FOR LARRY HIGBY

As I understand it, we owe the National Committee approximately \$150,000 originally committed from Mulcahy. My feeling, as you know, is that we should not go back to Mulcahy.

The Milk Producers are prepared to buy 10 tables to the Committee Dinner (\$100,000). The National Committee could be advised in advance that this is part of the money we owe. The only trick would be to be certain that we got credit for this against the sums they expect us to raise.

Please let me know.

001764

L. Colson
Charles W. Colson

WH

WV

001765

CWC WANTS THE RETURN OF THIS FILE.

WH

February 8, 1971

MEMORANDUM FOR: H. R. HALDEMAN
FROM: CHARLES W. COLSON
SUBJECT: Your Memo of February 2

The note which Bob Dole gave you at the Cabinet meeting is the same problem I discussed with you in your office a few weeks ago.

We don't have anyone who can handle support for us from outside interest groups like the Milk Producers. Kalmbach tells me that you and he did not reach an agreement on this. I feel that it is terribly important that I not be personally involved (no one here should be).

001760

I do have a man locally who might take this assignment on with help from Tom Evans in New York. I am exploring it this week and if it works I will advise you; otherwise we perhaps should rethink the question of using Kalmbach in this area.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 2, 1971

CONFIDENTIAL

MEMORANDUM FOR: CHUCK COLSON

FROM: H. R. HALDEMAN *H.*

Bob Dole sent me a note at the Cabinet meeting regarding the milk producers and apparently he is being pressured by them. They have told him that they are unable to work out a means of getting their activity going regarding their support for us. Would you please get in touch with Dole and follow up on this?

001787

Colson

THE WHITE HOUSE
WASHINGTON

WH

EYES ONLY

February 1, 1971

MEMORANDUM FOR: H. R. HALDEMAN
FROM: CHARLES COLSON *CC*
SUBJECT: Outside fund handling

001760

Herb Kalmbach tells me that he and you did not resolve the question of who should be the outside man handling funds from certain groups -- the area that Kalmbach does not want to be involved in.

I have some ideas of people that might do this for us; in fact, I have a very good man who would fill the bill provided a lawyer like Tom Evans could work with him on setting up the mechanics.

Please advise if you would like me to proceed with this or if you have other thoughts.

Proceed away.

[Signature]

Bob Bennett

WH

Indistinct document retyped by
House Judiciary Committee staff

March 18, 1971

CONFIDENTIAL - EYES ONLY

MEMORANDUM FOR:

FRANK DEMARCO
TOM EVANS
HERB KALMBACH

FROM:

JOHN DEAN

As per our discussions, I am forwarding a draft charter for the 1701 Pennsylvania Avenue operation and a document that might serve as a model to be used in connection with the Milk Producers Association Committee, et al.

I would suggest you mark up the document if you have suggested changes and return it to me. I will then coordinate with you before a final draft is prepared.

cc: John N. Mitchell

CONFIDENTIAL - EYES ONLY

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CHARTER

ARTICLE I - Purpose

We the undersigned constitute ourselves a non-profit voluntary association under the name Citizens to Reelect President Nixon (hereinafter referred to as "the Association"). It is the purpose of the Association to work for the renomination of President Richard M. Nixon as the Republican Party 1972 candidate for the office of President of the United States. To that end we propose to support a renomination campaign throughout the United States and to solicit, collect and disburse funds for that campaign.

ARTICLE II - Principal Office

The principal office of the Association is to be located in the District of Columbia provided, however, that other subsidiary office may be established in any state for the purpose of carrying out the national activities of the Association.

ARTICLE III - Membership

Members shall consist of those subscribers listed below and may later include others

[unreadable]

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[unreadable] to the purpose of the Association who are approved by the membership of the Association, and who thereafter accept membership.

ARTICLE IV - Officers

The officers of the Association shall initially be a Chairman and a Secretary-Treasurer, who shall be elected by the membership at the first meeting of the Association and shall hold office until their successors have been elected by the membership of the Association. Additional officers may also be elected if desired by the members.

ARTICLE V - Executive Committee

There shall be an Executive Committee which shall consist of the officers, and such additional persons as may be determined by the members. The Executive Committee shall manage the affairs and activities of the Association, subject to the wishes of the members.

ARTICLE VI - Duration

The Association shall be dissolved and cease to exist as an Association at the time President Richard M. Nixon receives the renomination or in the event he should not become [unreadable] for the office of President of the United States.

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ARTICLE VII - Surplus Funds

[unreadable] in the event of President Richard M. Nixon's renomination, surplus funds, if any, may be disbursed by the Association to such political organizations or other groups thereafter working for the same objectives as the officers of the Association may determine.

Section 2. In the event Richard M. Nixon shall not become a candidate for the office of President of the United States, any surplus funds may be disposed of by the Association to such political organizations or other groups as the officers of the Association may determine.

Section 3. The officers of the Association may also return any surplus funds to all the contributors to the Association (including Association members) in the same proportion as each contribution bears to the total of all contributions received.

Section 4. No member of the Association shall have the right to share in any surplus funds or assets of the Association upon its dissolution except as set forth in Section 3 above.

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Article VIII - Amendments

This Charter may be amended at any meeting of the members duly called for that purpose by the affirmative vote of a majority of the members present and voting provided that Sections 3 and 4 of Article VII hereof shall not be subject to amendment.

IN WITNESS WHEREOF, the undersigned have signified their desire to become members of this Association in accordance with the foregoing by subscribing their names and addresses hereto this day of 1971.

Address:

(Chairman)

Address:

(Secretary-Treasurer)

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CONFIDENTIAL - EYES ONLY

MEMORANDUM FOR:

FRANK DEMARCO
TOM EVANS
HERB KALMBACH

FROM:

JOHN DEAN

As per our discussions, I am forwarding a draft charter for the 1701 Pennsylvania Avenue operation and a document that might serve as a model to be used in connection with the Milk Producers Association Committee, et al.

I would suggest you mark up the document if you have suggested changes and return it to me. I will then coordinate with you before a final draft is prepared.

cc: John N. Mitchell

201

CONFIDENTIAL - EYES ONLY

Loose SSC
3/15/74

Article I - Purpose

We the undersigned constitute ourselves a ^{non profit} voluntary association under the name Committee to Reelect President Nixon (hereinafter referred to as "the Association"). It is the purpose of the Association to work for the renomination of President Richard M. Nixon as the Republican Party 1972 candidate for the office of President of the United States. To that end we propose to support a nationwide campaign throughout the United States and to solicit, collect and disburse funds for that campaign.

Article II - Principal Office

The principal office of the Association is to be located in the District of Columbia, ^① provided, however, that other offices may be established in any state for the purpose of carrying out the national activities of the Association.

Article III - Membership

Officers shall consist of those subscribers listed

on the following list:

...the Association shall be approved
...the Association, and shall be
...the Association.

23.3 OFFICERS

The officers of the Association shall initially be a
Chairman and a Secretary-Treasurer, who shall be elected
by the membership at the first meeting of the Association and
shall hold office until their successors have been elected by
the membership of the Association. Additional officers may
also be elected if desired by the members.

23.4 EXECUTIVE COMMITTEE

There shall be an Executive Committee which shall
consist of the officers, and such additional persons as may be
determined by the members. The Executive Committee shall
manage the affairs and activities of the Association, subject
to the wishes of the members.

23.5 DURATION

The Association shall be dissolved and cease to exist
...the Association Richard M. Nixon
...the Association shall become
...the Association.

... In the event Richard M. Nixon's contribution, surplus funds, if any, may be disbursed by the Association to such political organizations or other groups thereafter working for the same objectives as the officers of the Association may determine.

Section 2. In the event Richard M. Nixon shall not become a candidate for the office of President of the United States, any surplus funds may be disposed of by the Association to such political organizations or other groups as the officers of the Association may determine.

Section 3. The officers of the Association may also return any surplus funds to all the contributors to the Association (including Association members) in the same proportion as each contribution bears to the total of all contributions received.

Section 4. No member of the Association shall have the right to share in any surplus funds or assets of the Association upon its dissolution except as set forth in Section 3 above.

MEMORANDUM FOR THE RECORD

This Charter may be amended at any meeting of the members duly called for that purpose by the affirmative vote of a majority of the members present and voting provided that Sections 3 and 4 of Article VII hereof shall not be subject to amendment.

IN WITNESS WHEREOF, the undersigned have signified their desire to become members of this Association in accordance with the foregoing by subscribing their names and addresses hereto this day of 1971.

Address:

(C. J. Dean)

Address:

(Secretary - J. J. Dean)

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the President's re-election.

Would that be the \$2 million declared intention to which you have referred?

Mr. Haldeman. That would mesh with what I understood.

Mr. Weitz. The last sentence of that paragraph refers to the fact that "AMPI also is funding a special project."

Do you know what that special project was AMI was funding?

Mr. Haldeman. No.

Mr. Weitz. Did anyone ever inform you in a general way as to what that might refer to?

Mr. Haldeman. I don't know.

On that basis, no, I have no recollection of a special project that was being funded by them, with no more indication of it than that.

Mr. Weitz. Your logs indicate that on December 14 you met with Mr. Connally. Do you recall ever discussing in 1970 before he became Treasury Secretary, or in early 1971 before he became Treasury Secretary, any matters in connection with the dairy co-ops or the dairy industry?

Mr. Haldeman. I recall -- and I am sorry to keep doing this, but I have got to, in the interest of accuracy -- I recall talking with or listening to Mr. Connally on the subject of the dairy contribution. I cannot tell you whether it was before or after he became Treasury Secretary, nor can I tell you on a calendar basis when it was. I don't know. It

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obviously was before the mechanics were set up for receiving the money, because the point that Mr. Connally made to me was, as I recall it, simply that the dairy people want to make a contribution, and they have been trying to work with the campaign people, or whoever is handling it, and they weren't getting the mechanics set up for them to do this.

And that is kind of stupid, why doesn't somebody get it set up.

Mr. Weitz. If the record shows that dairy industry committees were established and substantial contributions were made by the dairy, certain dairy trusts in the middle of 1971, presumably this conversation with Mr. Connally would have preceded that?

Mr. Haldeman. That would be my feeling, that it was before the process was under way of the money actually being donated.

Mr. Weitz. In what connection did you discuss this with Mr. Connally? Or did he raise the matter with you?

Mr. Haldeman. He simply told it to me. As I recall, it was after a meeting of some kind, and he and I were walking down the hall, that is sort of the recollection I have, walking down the hall, and I was near my office, and his saying in effect what I have just said.

Mr. Weitz. When he raised it you were already aware at that time of the declared intention and who the dairy people

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24. On March 19, 1971 Ehrlichman, Shultz, Whitaker, Cashen, and other White House aides met in Ehrlichman's office with Campbell and Hardin and discussed the milk price support issue.

	Page
24.1 John Ehrlichman log, March 19, 1971 (received from SSC).	514
24.2 Memorandum from Edward Schmults to James Hamilton and Donald Sanders, November 27, 1973 (received from SSC).	516
24.3 Memorandum from John Whitaker to John Ehrlichman, March 19, 1971 (received from White House).	518

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162

FRIDAY, MARCH 19, 1971

8:00 HRH office
8:30-11:00 President
12:00 John Osborn (New Republic)
2:00 Sec. Volpe, Shultz, Magruder, MacGregor, Timmons (SST)
3:00 George Shultz
4:00 Sec. Hardin, Whitaker, Cashen, Shultz, Cook, Rice
(Milk Price Supports)
7:00 Car at west basement
7:15 Depart for Williamsburg from Pentagon helipad
(with Lundquists)

MONDAY, MARCH 22, 1971

7:45 Car at west basement
8:00-10:15 Breakfast meeting at HUD - Romney's office (Romney, Volpe, Hardin, Stans, Blount, Burns, McCracken, Deming)
11:00 Reorganization briefing - Roosevelt Room
12:00 Weinberger, Morgan, Evans, Cole
2:00 Jerry Schecter (Time)
4:00 Roosevelt Room - HAK Laos briefing

TUESDAY, MARCH 23, 1971

8:00 Leadership - Cabinet Room
9:45 Shultz, Hodgson
11:00 Morgan, Colson, Dent, Cole
12:00 President, Shultz
3:00 President, Mayors
4:45 President, Connally, Hardin, Shultz, Whitaker, Rice
(Milk Price Supports)
5:50 Colson
7:30 White House dinner - Etherington - Voluntary Center

WEDNESDAY, MARCH 24, 1971

8:00 HRH office
10:45 Frank van der Linden
11:45 Barber
12:15 Depart White House
12:30 Depart Andrews enroute Boston
2:00-4:00 Christian Science Monitor editorial board
4:30 Depart Boston enroute Andrews
6:30 Dinner with White House fellows - Mess

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DR

FRIDAY, MARCH 19, 1971

8:00 ERH office
 8:30-11:00 President
 12:00 John Osborn (New Republic)
 2:00 Sec. Volpe, Shultz, Magruder, Mr. Oregon, Timmons (EST)
 3:00 George Shultz
 4:00 Sec. Hardin, Walden, Cashen, Shultz, Cook, Rice
 (Milk Price Support)
 7:00 Car at west basement
 7:15 Depart for Williamsburg from Pentagon helipad
 (with Lundquist)

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 11:45 Barber
 12:15 Depart White House
 12:30 Depart Andrews to Boston
 2:00-4:00 Christina Science Editor of World Board
 4:30 Depart Boston to Andrews
 6:30 Dinner with John and his Fellowship class

DR



THE GENERAL COUNSEL OF THE TREASURY

WASHINGTON DC 20220

NOV 27 1973

MEMORANDUM FOR: ✓ James Hamilton
Donald G. Sanders

FROM: Edward C. Schults *ECS*

SUBJECT: Information Requested on November 21, 1973

In accordance with our conversation on Wednesday, November 21, 1973, the following sets forth certain relevant information which you requested from the appointment records and telephone logs of Secretary Shultz for certain dates in March, 1971:

1. The telephone log for Thursday, March 4, indicates that Chairman Mills called and talked with Mr. Shultz at 3:10 p.m. As you requested, attached is a memorandum from Mr. Shultz to Mr. Ehrlichman, dated March 4, 1971, regarding this telephone conversation. The telephone log for Monday, March 8, also indicates that Mr. Shultz was called by Chairman Mills at 3:00 p.m. Mr. Shultz was not available at that time but returned Chairman Mills call later in the afternoon. The appointment log for Thursday, March 25, indicates that Mr. Shultz was invited to attend a 9:30 a.m. meeting with Chairman Mills and Mr. Ehrlichman. It is possible that Mr. Gifford also attended.
2. The telephone log for the morning of Wednesday, March 10, indicates a telephone conversation, initiated by Speaker Albert, between the Speaker and Mr. Shultz took place.
3. The appointment log sets forth the following references to meetings on March 19 and 23 regarding the milk price support matter:
 - (a) Friday, March 19 -- 4:00 p.m. meeting at Mr. Ehrlichman's office "re milk price supports" with Messrs. Ehrlichman, Hardin, Whitaker, Cashen, MacGregor or Timmins, and Rice.

JR

- 2 -

- (b) Tuesday, March 23 -- 10:30 a.m. meeting with the "President w/Associated Milk Producers, Inc., Cabinet Room."
- (c) Tuesday, March 23 -- 4:45 p.m. meeting with the "President (re Milk Prices) w/Rice."
- 4. The telephone log for Wednesday, March 24, indicated that Under Secretary of Agriculture Campbell tried to call Mr. Shultz at 8:25 a.m. The call was completed at 9:55 a.m.
- 5. On Thursday evening, March 25, Mr. Shultz attended a reception given by the Arkansas Bankers Association in honor of the Arkansas Congressional Delegation in the Monticello Room of the Madison Hotel.
- 6. Other than a note indicating an invitation on Monday, March 22, from Mr. Haldeman to Mr. Shultz and his family to attend a film showing in the White House theater on March 23, the appointment records and telephone logs do not indicate any contacts between Mr. Haldeman and Mr. Shultz during the period March 19 to March 25, 1971, inclusive.
- 7. Attached are newspaper articles appearing on April 5, 1971, December 22, 1971, and May 18, 19 and 23, 1973.

Attachments

DR

THE WHITE HOUSE

WASHINGTON

March 19, 1971

001229

MEMORANDUM FOR JOHN D. EHRLICHMAN

FROM: John C. Whitaker

SUBJECT: Suggested Meeting with Secretary Hardin

I think we should have a prompt meeting with Secretary Hardin today. The prime issue is milk price supports. Contrary to what I reported in the 7:30 meeting this morning on a House count they did last night, Hardin is convinced there is a 90 percent chance that an 85 percent of parity price support for milk bill, sponsored by Carl Albert, will pass Congress. The issue is, if it passes, does the President veto it. Currently, we are playing a bluff game with the dairy people saying the President will have to veto a milk price increase and get credit on the consumer side, but Hardin doesn't think it will stop the bill from passing. He is now of the opinion that when the dairy meeting takes place with the President next Tuesday, the President should allow himself to be won over and go along with the argument of raising the price of milk to 85 percent of parity. This is the key issue and I think you, Shultz, Rice, Colson and I should discuss it with Secretary Hardin.

A secondary reason for the meeting is that Hardin is still hard on the idea that the extension service in some way should be held harmless in the rural revenue sharing bill. He is convinced we can never sell the bill without protecting the extension service, and that by protecting the extension service, we have enough votes to get those people working for us and pass the bill. He said he discussed it with the President, although only briefly in a reception line, and as predicted, the President said, "If you think that is what we ought to do, then we ought to go ahead." The Secretary recognizes that the game isn't played this way and wants an honest discussion with us about it.

WH
cc: George Shultz
Don Rice
Chuck Colson

Add: MacFarlane or Kinnaman

25. On March 19, 1971 Connally met with AMPI lawyer Jake Jacobsen. On March 20, 1971 and March 22, 1971 Connally and the President had telephone conversations.

	Page
25.1 John Connally log, March 19, 1971 (received from SSC).	520
25.2 White House record of John Connally contacts with the President, March 20, 1971 (received from White House).	521

25.2 WHITE HOUSE RECORD OF JOHN CONNALLY CONTACTS
WITH THE PRESIDENT, MARCH 20, 1971

CONNALLY, JOHN B. SECRETARY OF TREASURY

3/11/71 cont. mtg *fixing Hollingfield*
p lo c / p lo nc but tlk w / Mrs.

3/16 mtg *10:00*
CabMtg CabRm ANC

3/18 p lo c / r lo nc / r lo c
mtg OO

3/20 p ld nc / p ld c *1 minutes*

3/22 r lo nc, RMW take / r lo c

3/23 p lo c *3 minutes*
mtg *5:05 - 5:38* OO 5:05 - 5:38

r ld nc APButterfield take
RepubLdrshpMtg CabRm

3/25 NSC mtg CabRM

-3/26 mtg *action* OO *Security*

Cabmtg CabRm ANC

3/31 dnr Rsdnce

CONNALLY, JOHN B. SECRETARY OF TREASURY

-4/1/71 mtg *4:00* / mtg *3:00*

4/8 CIEP mtg CabRm

4/10 p ld nc / r ld c *10:00 - 6:00*

4/13 mtg *4:00* OO 4:00 - 6:00

4/14 Swr-in of Chrm SEC OO

4/15 p lo c *12:00*

4/16 mtg *4:00 - 12:00* Cab Rm

4/17 Textile Mtg Cab Rm

4/18 p ld nc

4/20 p lo c *1 minute*

4/22 mtg OO
photograsph Rose Garden

r lo c

-4/27 mtg *10:00* OO

CabMtg CabRm

4/29 R lo nc ← R ld nc

P ld c

001952

CONNALLY, John B.

Secy of the Treasury

5/4/71 Mtg / GOP ldrshp

5/4 Mtg *Quadrant*

5/4 r lo nc

5/4 p lo c *1 minute*

5/5 OPEN DOOR HOUR / Fed Civ. Serv. Awards

5/5 Mtg *4/10*

5/6 Mtg *4/2* OvalOfce

5/7 p lo c *8 minutes* OvalOfce

5/8 WH Correspondent's Dnr SheratonPkHtl ANC

5/9 p lo c *1 minute*

5/10 Brkfst *10:00* Fed, Ehrlichman, Fmly DngRm

5/11 Mtg *10:00* OvalOfce

5/11 p lo c *1 minute*

5/11 r lo nc

26. Following the Secretary of Agriculture's announcement that the milk price support level would be maintained at \$4.66 per cwt., dairy cooperative leaders determined to cancel the plans they had made in February 1971 to contribute between \$60,000 and \$100,000 at a Republican dinner scheduled for March 24, 1971. Prior to March 22, 1971 dairy cooperatives did not purchase tickets to the dinner. On March 22, 1971 AMPI treasurer Bob Lilly drew checks totalling \$10,000 for tickets to the dinner. Lilly has testified that this was the usual amount that would normally have been contributed.

	Page
26.1 Gary Hanman testimony, SSC Executive Session, May 21, 1974, 4-8.	524
26.2 Memorandum from Charles Colson to Lawrence Higby, February 2, 1971 (received from White House).	529
26.3 Bob Lilly testimony, SSC Executive Session, November 14, 1973, 182-83.	530
26.4 Robert Isham deposition, Exhibit E, <u>Nader v. Butz</u> , November 29, 1972.	532

26.1 GARY HANMAN TESTIMONY, MAY 21, 1974, SSC EXECUTIVE SESSION, 4-8 4

1 Mr. Weitz. Did he tell you what the purpose of going to
2 Louisville to meet Mr. Alagia was?

3 Mr. Hanman. Yes. As I recall, the purpose of the trip was
4 to talk to Alagia, Paul Alagia, about the advisability of atten-
5 ding the Republican fundraiser that was scheduled the next day
6 here in Washington, and if ADEPT was to participate, and to talk
7 to anyone alone.

8 Mr. Weitz. You mean participate, contribute to the dinner?

9 Mr. Hanman. Yes.

10 Mr. Weitz. Do you know how much money ADEPT had in its
11 treasury at that point?

12 Mr. Hanman. No, I do not.

13 Mr. Weitz. Was it at least \$10,000?

14 Mr. Hanman. I would surmise it was. I really do not know
15 what the balance was.

16 Mr. Weitz. What was the need to go to Mr. Alagia?

17 In other words, what would be the purpose of talking to
18 him about whether people from your organization or possibly from
19 the Associated Milk Producers, Mr. Parr's organization, would
20 attend the dinner?

21 Mr. Hanman. As I recall the circumstances, we had been,
22 collectively we had been attempting to get some legislation passed
23 that would have amended the 1949 support law for milk. We had
24 been contacting Congressmen and Senators. We knew this fund-
25 raiser was coming up. Tentatively, we thought we would attend

1 this fundraiser.

2 After the Secretary had made his announcement of no increase
3 in supports, we pretty well agreed that we would not attend, at
4 least not in any significant amount. The thought was, the reason
5 for going to this meeting, the thought was maybe we ought to go
6 in a larger amount, buy more tickets than what we originally
7 thought.

8 Mr. Weitz. Had you bought any tickets or made any contribu-
9 tions up to that point for the dinner or to the Republican
10 Party?

11 Mr. Hanman. I do not think we bought any tickets to the
12 dinner. To the Republican Party, I do not recall.

13 Mr. Weitz. How about in March 1971?

14 Mr. Hanman. I do not believe that we had.

15 Mr. Weitz. How much was contemplated prior to the Secre-
16 tary of Agriculture's decision on the 12th?

17 Let's start with ADEPT.

18 Mr. Hanman. I really do not recall. I think what we were
19 thinking about would be a ticket apiece for the ADEPT committee
20 members. That would generally be the type of contribution that
21 we would make to something like that.

22 Mr. Weitz. How many committee members were there at that
23 time?

24 Mr. Hanman. Six plus myself; it would be seven.

25 Mr. Weitz. That would have meant a contribution of \$1,000

1 a ticket, or say \$7,000?

2 Mr. Hanman. Right.

3 Mr. Weitz. How about the other two coops or their trusts?

4 What was contemplated before the Secretary's decision on
5 the 12th?

6 Mr. Hanman. I really do not know.

7 Mr. Weitz. Did you have any discussions about that with
8 them?

9 Mr. Hanman. Beforehand?

10 Mr. Weitz. With the representatives of the other two
11 coops?

12 Mr. Hoecker. Prior to March 12th?

13 Mr. Weitz. Prior to March 12th.

14 Mr. Hanman. No, I did not.

15 Mr. Weitz. You do not know whether they were intending to
16 go or contribute before March 12th?

17 Mr. Hanman. Not that I recall.

18 Mr. Weitz. What about after March 12th?

19 Between the Secretary's decision on March 12th and this
20 flight out to Louisville on the night of the 23rd, had you had
21 any discussions with them about contributions either to the
22 dinner, the Republican Party in general, or to the President's
23 campaign?

24 Mr. Hanman. I do not believe I did with SPACE. My recol-
25 lection is that TAPE had made some tentative plans to buy a

1 substantial number of dinner tickets before the March 12th deci-
2 sion or immediately thereafter. After the decision was rendered
3 they were having some second thoughts about attending it in that
4 large a number.

5 As I recall, they were talking about six to eight tables,
6 and there are ten plates to the table.

7 Mr. Weitz. That would be 60 to 80 tickets or \$60,000 to
8 \$80,000.

9 Mr. Hanman. Yes.

10 Mr. Weitz. Your understanding was that they too were having
11 second thoughts about it after the decision on the 12th?

12 Mr. Hanman. Yes, that is my recollection.

13 Mr. Weitz. Who did you talk to about that?

14 Who indicated that to you?

15 Mr. Hanman. I believe that it was Dave Parr. My recollec-
16 tion would be that it would be Dave.

17 Mr. Weitz. By the time that you flew out to Louisville on
18 the 23rd, did they indicate that they had made any contributions
19 to the dinner or to the Republicans?

20 Mr. Hanman. Not that I recall.

21 Mr. Weitz. You had attended the meeting with the President
22 the morning of the 23rd, is that correct?

23 Mr. Hanman. Yes.

24 Mr. Weitz. Dave Parr had attended that meeting, too, is
25 that correct?

1 Mr. Hanman. Yes.

2 Mr. Weitz. I believe you said Harold Nelson had also attend
3 the meeting at Louisville.

4 He also attended that morning, did he not?

5 Mr. Hanman. Yes.

6 Mr. Weitz. Paul Alagia was also at the meeting with the
7 President, was he not?

8 Mr. Hanman. I believe that is correct.

9 Mr. Weitz. Can you tell us what was the reason that you
10 flew out from Washington to Louisville for this meeting, rather
11 than having discussed the matter that morning either before or
12 after the meeting with the President?

13 Mr. Hanman. My recollection of it was, the first thought
14 that the dairy farmers would attend this Republican dinner in
15 substantial amounts. Then after the March 12th decision, the
16 thought was that we would not -- maybe even boycott it, not go
17 at all.

18 Some time between, I believe between the meeting with the
19 President and the dinner, which was to be the next night, I be-
20 lieve Dave got a call from somebody -- I do not know from whom --
21 who indicated that we should not boycott the meeting, that we
22 should go ahead and go to this dinner as previously planned.
23 And as I recall, the flight to Louisville was to talk to Alagia
24 about what he thought about that.

25 Mr. Weitz. Do you know who called Parr?

W Colson

THE WHITE HOUSE
WASHINGTON

W Colson

OK
LA

EEES ONLY

11/11

February 2, 1971

MEMORANDUM FOR LARRY HIGBY

As I understand it, we owe the National Committee approximately \$150,000 originally committed from Mulcahy. My feeling, as you know, is that we should not go back to Mulcahy.

The Milk Producers are prepared to buy 10 tables to the Committee Dinner (\$100,000). The National Committee could be advised in advance that this is part of the money we owe. The only trick would be to be certain that we got credit for this against the sums they expect us to raise.

Please let me know.

001764

W Colson

Charles W. Colson

WH

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Mr. Weitz. You were not told?

Mr. Lilly. (Nods in the negative.)

Mr. Weitz. Do you know how and when the decision was made to go ahead and actually make these contributions of the new money of one-quarter of a million dollars that was discussed at that meeting plus the prior commitment?

Mr. Lilly. Would you restate that?

Mr. Weitz. After the milk -- well, during the following week, the week of the 21st or 22nd of March, were you aware of any discussions which related to the ways in which contributions would in fact be made?

Mr. Lilly. No. The next week, though, contributions were made by TAPE -- \$10,000. The week of March 21st or 22nd, the Republicans had at that particular week the Senate and House fund raising affair, which is annually, and we normally contribute to the Republicans and to the Democrats. The only difference in 1971 and other years, normally that check is made out for \$10,000, contributed to the amount of \$10,000, which usually buys a table for ten, or whatever it might be. But in this particular year of 1971 a decision -- I might say this, the decision to contribute had already been made. We were going to contribute \$10,000. This had no bearing on it one way or the other.

But Marion Harrison instructed me, and I do not have the names of, but he instructed me to make out four TAPE checks to four different committees totalling \$10,000. Two of them were

Indistinct document retyped by
House Judiciary Committee staff

Indistinct document retyped by
House Judiciary Committee staff

183

for \$3,000, and two of them were for \$2,000 each, making a total of \$10,000. And this was a little unusual and different, but Mr. Nelson said it was all right to do this. So it made no difference to me. It was for the same purpose. We did have people in attendance at the meeting which was held that particular week that the price support announcement was made, and I am not sure of the date. And if I attended, I do not remember, but I possibly could have been one of the attendees of the Republican fund raising affair.

Mr. Weitz. But neither Mr. Nelson nor Mr. Harrison indicated why the contribution should be made in that way?

Mr. Lilly. No. And of course, following later there were other contributions at other times in the year.

Mr. Weitz. Were you privy, for example, to the discussion, any discussions, relating to contributions by the other two coope during this period?

Mr. Lilly. No.

Mr. Weitz. Were you aware, for example, of the \$50,000 loan from TAPE to ADEPT shortly after that week?

Mr. Lilly. I was aware of that because shortly after -- Mr. Isham checked with an attorney and I cannot recall the attorney's name that he might have checked with. It could well have been DeVier Pierson, or it could have been Mr. Jacobsen, or it could have been both of them.

But he contacted them, if we could make a loan to ADEPT,

Indistinct document retyped by
House Judiciary Committee staff

1 MR. DOEROVIR: Excellent.

2 Q The next batch of documents, which will be Exhibit E,
3 all of which were produced by you pursuant to my
4 subpoena -- The first document is a receipt. It says
5 "Received of TAPE, \$3,000.00 to 'Republican Campaign
6 Committee.'" The next document is a check issued to
7 Republican Campaign Committee in the amount of \$3,000.00,
8 dated March 22, 1971. Then the back of a check endorsed
9 "For deposit only to Republican Campaign Committee."
10 Then an expenditure voucher of \$3,000.00 dated March
11 22, 1971, stating, "Check delivered to Bob Lilly for
12 transmittal;" a receipt for \$2,000.00 to Committee for
13 Republican Congress, followed by a voucher dated March
14 22, 1971, \$2,000.00, "check delivered to Bob Lilly;" a
15 receipt, \$2,000.00 to Republican Victory Committee; an
16 expenditure voucher, March 22, 1971, "check delivered to
17 Bob Lilly \$2,000.00;" receipt, \$3,000.00, to Kick-off
18 '72 Republican Dinner; expenditure voucher, March 22,
19 1971, \$3,000.00, "delivered to Bob Lilly;" three checks,
20 March 22, 1971, \$2,000.00, Committee for Republican
21 Congress, March 22, 1971, \$2,000.00, Republican Victory
22 Committee and March 22, 1971, Kick-off '72 Republican
23 Dinner, \$3,000.00; and finally, what appear to be the
24 backs of those three checks.

25 Will you tell me if you have seen those

Sham & E

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

P.O. BOX 32287

PHONE A/C 512 341-8651

SAN ANTONIO, TEXAS 78216

RECEIVED OF T.A.P.E., \$3,000.00 to "REPUBLICAN CAMPAIGN COMMITTEE"

(3 tickets to dinner in Washington D. C. March 24, 1971).

Chick Harrison

(Date)

(Check #376)

*PXE
LMF
11-29-72*



CITIZENS NATIONAL BANK

NUMBER

376

68.236
1121

AUSTIN, TEXAS March 22 19 71

PAY TO THE ORDER OF REPUBLICAN CAMPAIGN COMMITTEE \$ 3,000.00

Three-thousand and no/100 DOLLAR

3 tickets to dinner in Washington D.C.
March 24, 1971

T.A.P.E.

Robert O. Isham

Robert O. Isham, Trustee

⑆1141⑈2367⑆ 61⑈101 8⑈ ⑆0000300000⑆

T. A. P. E.
P. O. Box 37287
San Antonio, Texas 78216

For Deposit Only
REPUBLICAN CAMPAIGN COMMITTEE

MAR 31 1971

2372 PAY ANY BANK, P.E.C. 2372 S 1971
FEB SAN ANTONIO 2372 S 1971

2

330

117-171004 1927

PAY BANK, P.E.G.
P.O. BOX 100
ANTONIO

8-72
S-71

EXPENDITURE VOUCHER
TRUST FOR AGRICULTURAL POLITICAL EDUCATION

TO BE COMPLETED WHEN CHECK IS ISSUED

Check No. 576 Date 8-22-71 Amount \$4,000.00
Payee Mr. Nelson
Check mailed or delivered to Bob Kelly for Transmission

1. Amount of expenditure requested \$ 3,000.00
2. Check to be made payable to Name Republican Campaign Committee
Address Republican Center
310 13th St SE
Washington DC 20003
4. Explain to whom and for what purpose funds are to be used (Give as many details as possible. Attach any correspondence, campaign literature, etc. which might be helpful in justifying expenditure.)

3 Tickets @ \$1,000 each for Republican Congressional Fund Raiser Dinner to be held Wash DC March 24, 1971.
Requested by H. Nelson.

5. Request submitted by Robert A. Kelly 3/27/71
(Name) (Date)

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

P.O. BOX 32287

PHONE A/C 512 341-8651

SAN ANTONIO, TEXAS 78216

RECEIVED OF T.A.P.E., \$2,000.00 to "COMMITTEE FOR REPUBLICAN CONGRESS"
(2 tickets to dinner in Washington D. C. 3-24-71).

Carl Hammer

(Date)

(Check #379)

EXPENDITURE VOUCHER
TRUST FOR AGRICULTURAL POLITICAL EDUCATION

TO BE COMPLETED WHEN CHECK IS ISSUED

Check No. 378 Date 3 23 71 Amount \$ 2,000.00
Payee see below
Check mailed or delivered to (Bob & Lily)

1. Amount of expenditure requested

\$ 2,000.00

2. Check to be made payable to

Name Committee for Republican Congress

Address Congressional Hotel

300 New Jersey Ave SE
Washington DC 20001

4. Explain to whom and for what purpose funds are to be used (Give as many details as possible. Attach any correspondence, campaign literature, etc. which might be helpful in justifying expenditure.)

2 tickets for \$1000 ea for Republican
fund raising dinner to be held
in Wash DC Mar 24, 1971. Request
by H.S. Nelson

5. Request submitted by

Bob & Lily
(Name)

3/23/71
(Date)

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

P.O. BOX 32237

PHONE A/C 512 341-8651

SAN ANTONIO, TEXAS 78216

RECEIVED OF T.A.P.E., \$2,000.00 to "REPUBLICAN VICTORY COMMITTEE"

(two tickets to dinner in Washington D. C. 3-24-71)



(Date)

(Check #378)

EXPENDITURE VOUCHER
TRUST FOR AGRICULTURAL POLITICAL EDUCATION

TO BE COMPLETED WHEN CHECK IS ISSUED

Check No. 575 Date 3.22.71 Amount \$2,000.00
Payee see below
Check mailed-or delivered to (Bob Lilly)

1. Amount of expenditure requested \$2,000.00

2. Check to be made payable to

Name Republican Victory Committee
Address Executive Center
310 1st St SE
Washington DC 20001

4. Explain to whom and for what purpose funds are to be used (Give as many details as possible. Attach any correspondence, campaign literature, etc. which might be helpful in justifying expenditure.)

2 tickets @ \$1000 each for Republican
Congressional fund raiser dinner
to be held in Wash DC Mar 24, 1971
Requested by H.S. Nelson

5. Request submitted by

Bob Lilly
(Name)

3/22/71
(Date)

TRUST FOR AGRICULTURAL POLITICAL EDUCATION

P.O. BOX 32287

PHONE A/C 512 341-8651

SAN ANTONIO, TEXAS 78216

RECEIVED OF T.A.P.E., \$3,000.00 to "KICK-OFF '72 REPUBLICAN DINNER"

(3 tickets to dinner 3-24-71)

24-71)

Chickering

(Date)

(Check #377)

EXPENDITURE VOUCHER
TRUST FOR AGRICULTURAL POLITICAL EDUCATION

TO BE COMPLETED WHEN CHECK IS ISSUED

Check No. 777 Date 3-22-71 Amount \$2111.00
Payee see Nelson
Check mailed or delivered to (Bob Lilly)

1. Amount of expenditure requested \$ 3000.00
2. Check to be made payable to Name Kick-off 72 Republican Dinner
Address Suite 0-145
Washington Hilton Hotel
Washington D.C. 20001
4. Explain to whom and for what purpose funds are to be used (Give as many details as possible. Attach any correspondence, campaign literature, etc. which might be helpful in justifying expenditure.)

3 tickets @ 1000 each for Republican Congressional fund raising dinner to be held Wash DC Mar 74, 1971 Requested by H.S. Nelson.

5. Request submitted by Bob Lilly (Name) 3/22/71 (Date)



CITIZENS NATIONAL BANK

379

88.2367
1141

AUSTIN, TEXAS March 22 19 71

PAY TO THE ORDER OF COMMITTEE FOR REPUBLICAN CONGRESS \$ 2,000.00

Two-thousand and no/100 DOLLARS

2 tickets to dinner in Washington D. C.
3-24-71

T. A. P. E.

Robert O. Isham

Robert O. Isham, Trustee
0000200000

000000000000 000000000000

T. A. P. E.
P. O. Box 32287
San Antonio, Texas 78216



CITIZENS NATIONAL BANK

NUMBER

378

88.2367
1141

AUSTIN, TEXAS March 22 19 71

PAY TO THE ORDER OF REPUBLICAN VICTORY COMMITTEE \$ 2,000.00

Two-thousand and no/100 DOLLARS

2 tickets to dinner 3-24-71 in
Washington, D. C.

T. A. P. E.

Robert O. Isham

Robert O. Isham, Trustee
0000200000

000000000000 000000000000

T. A. P. E.
P. O. Box 32287
San Antonio, Texas 78216



CITIZENS NATIONAL BANK

NUMBER

377

88.236
1141

AUSTIN, TEXAS March 22 19 71

PAY TO THE ORDER OF KICK-OFF '72 REPUBLICAN DINNER \$ 3,000.00

Three-thousand and no/100 DOLLARS

3 tickets to dinner 3-24-71

T. A. P. E.

Robert O. Isham

Robert O. Isham, Trustee
0000300000

000000000000 000000000000

T. A. P. E.
P. O. Box 32287
San Antonio, Texas 78216

FOR DEPOSIT ONLY
CONGRESS

for deposit only
with Rep Congressional
Committee
last 01-28-060-059

PAY ANY BANK P.E.G.
263

263

2

PAY ANY BANK P.E.G.
263
WASHINGTON, D.C.

PAY ANY BANK P.E.G.
263

263

2

COMMITTEE

For Deposit Only to the Account of
Republican Victory Committee

CF 10 APR

PAY ANY BANK P.E.G.
SWING TRUST COMPANY
263

APR-8-72 17 8864

PAY ANY BANK P.E.G.
263

APR 01 71 70

263

10 APR

263

FOR DEPOSIT ONLY
BOOK OFF 72
REPUBLICAN
DIVISION
263

958

APR

APR 01 71 15-4

PAY ANY BANK P.E.G.
263

958

APR

PAY ANY BANK P.E.G.
263

27. On March 22, 1971 Whitaker sent the President a memorandum for the President's meeting with AMPI officials scheduled for the following day. The memorandum stated that the dairy lobby had become very strong and lately had decided, like organized labor, to spend a lot of political money. The memorandum also stated that Ehrlichman, Shultz, Cashen, Assistant OMB Director Rice and other White House officials had met with Hardin and Under Secretary of Agriculture Campbell on the problem on March 19, 1971 and recommended that the President hold the line, listen to the dairymen's arguments, and await developments on the bill in the next two weeks to see if the Democrats could move on the bill.

	Page
27.1 Memorandum from John Whitaker to the President, March 22, 1971 with attachments (received from White House).....	546

THE WHITE HOUSE

WASHINGTON

March 22, 1971

001234

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting with 18 Key Dairy Industry Personnel
(Associated Milk Producers, Inc.)
Cabinet Room
Tuesday, March 23
10:30 a.m. (70 minutes)

I. PURPOSE: To hear their views on recent decisions by the Administration on dairy products.

II. BACKGROUND:

The dairy lobby has become very strong -- a very large cooperative running from Minnesota through Texas -- which lately, have decided, like organized labor, to spend a lot of political money. Pat Hillings and Murray Chotiner, for example, are involved.

By April 1 each year, the Department of Agriculture announces their decision on milk price supports. The lobbying (Senators Miller and Curtis, Speaker Carl Albert, Wilbur Mills, etc.) has been intense this year. On March 12, you approved the recommendation of Secretary Hardin, George Shultz, John Ehrlichman and Pete Peterson, and USDA announced a three-part package to:

1. Hold the support price for manufactured milk at \$4.66 per hundred weight for the 1971-72 marketing year beginning April 1, 1971, (this is now about 80.5% of parity). The lobby wanted \$5.05 per hundred weight which would be about 87.2% of parity. The Administration was concerned that further increases in the price of milk (increased \$.38 or 9% last year) would result in over production, plus a possible penny-per-quart increase in the price of milk;

2. USDA announced purchase of cheese for the USDA food (school lunch) program;

WH

NOTE: THE INDISTINCT STAMP MARK IN THE UPPER RIGHT CORNER OF PAGE ONE STATES, "THE PRESIDENT HAS SEEN THIS."

- 2 -

3. USDA noted that you directed the Tariff Commission to conduct an immediate investigation under Section 22 on the imports of cheese because of the sharp 1970 increase in cheese imports and the need to protect the price supports for milk in the face of these increasing imports.

Finally, last week, Congress (at Carl Albert's instigation) started talk of introducing a bill to set milk prices at 85% of parity. Albert obviously sees "a good thing." Page Belcher is concerned that the Democratic leadership, to embarrass you, could get enough liberal support for the bill (in spite of the penny-per-quart increase in the price of milk from the consumer viewpoint) combined with rural Republican Congressmen who don't want to take the heat to pass the bill and confront you with a very tough veto situation.

John Ehrlichman, George Shultz, Don Rice, Henry Cashen and John Whitaker met with Secretary Hardin and Under Secretary Phil Campbell on this problem last Friday and recommended that you appear in this meeting to hold the line, listen to their arguments and then await developments on the bill in the next two weeks to see if the Democrats can move the bill.

001235

III. ACTIONS REQUIRED:

Enter the Cabinet Room, go around the table meeting them (Harold Nelson, General Manager of Associated Milk Producers and David Parr are the two key "movers" although the Association President, John Butterbrodt will also be there. See Tab A for attendees). When you sit down, Secretary Hardin and Under Secretary Phil Campbell will be on your right and Mr. Butterbrodt on your left.

IV. POINTS OF DISCUSSION:

You might wish to make an opening statement (see Tab B) and then toss the ball to Hardin.

Tab C is a Fact Sheet on the group prepared by Under Secretary Campbell.

John E. Whitaker

WH

LIST OF KEY DAIRY INDUSTRY PERSONNEL
TO MEET WITH THE PRESIDENT

Listed Alphabetically

Mr. Paul Affolter, President
Pure Milk Products Co-Operative
Sparta, WI 54589
608 269-4350

Paul Alagia, Esquire, Executive Director and General Counsel
Dairymen, Inc.
506 Portland Federal Building
Louisville, Kentucky 40218
502 585-4301

Mr. Melvin Besemer
Route 1
New Ulm, Minnesota 56073
507 354-4404

✓ Mr. John E. Butterbrodt, President
Associated Milk Producers, Inc.
Route 1
Burnett, Wisconsin 53922
414_ 885-6076

001236

Mr. Bill Eckles, General Manager
Pure Milk Products Co-Operative
500 North Park Avenue
Fond du Lac, Wisconsin 54935
414 921-4720

Mr. Don Gregg, Regional Manager
Associated Milk Producers, Inc.
Central Region
1020 North Fourth Avenue
Sibley, Iowa 51249
712 754-2511

Mr. W. R. Griffin
Route 1
Newcastle, Oklahoma 73501
405 778-3474

WH

Mr. Carlyle Hansen, Regional Manager
Associated Milk Producers, Inc.
Northern Region
Box 455
New Ulm, Minnesota 56072
507 354-8854

✓ Marion Edwyn Harrison, Esquire *Chenault's law partner*
Washington Counsel for Associated Milk Producers, Inc.
Reeves & Harrison
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20006
202 298-9030

✓ Honorable Patrick J. Hillings
Washington Counsel for Associated Milk Producers, Inc.
Reeves & Harrison
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20006
202 298-9030

Mr. Wesley Johnson, Executive Vice President and General Manager
Mid-America Dairymen, Inc.
1101 East University
Springfield, Missouri 65804
417 -881-8112

Mr. John A. Moser, President
Dairymen, Inc.
Route 1, Box 560
Louisville, Kentucky 40218
502 241-8281

001237

✓ Harold S. Nelson, Esquire, General Manager
Associated Milk Producers, Inc.
GPM Building, 4th Floor
San Antonio, Texas 78216
512 341-8651

✓ Mr. David L. Parr
Associated Milk Producers, Inc.
Box 9589
Little Rock, Arkansas 72209
501 562-1900

WH

27.1 ATTACHMENT TO JOHN WHITAKER MEMORANDUM

Mr. Bill Powell, President
Mid-America Dairymen, Inc.
Route 1
Princeton, Missouri 64673
816 748-3101

Mr. P. L. Robinson
Dairymen, Inc.
Jonesboro, Tennessee 37659
615 753-3386

Mr. Avery Vose
Associated Milk Producers, Inc.
Route 2
Antioch, Illinois 60002
312 427-2255 office

Mr. Frank White
Associated Milk Producers, Inc.
Route 2
Cedar Vale, Kansas 67024
316 758-3600

001238

WH

Department of Agriculture Attendees

Clifford M. Hardin, Secretary

J. Phil Campbell, Under Secretary

Clarence D. Palmby, Assistant Secretary

Richard E. Lyng, Assistant Secretary

William E. Galbraith, Deputy Under Secretary

001239

White House Staff Attendees

George Shultz

John Ehrlichman

Donald Rice

Henry Cashen

John Whitaker

WH

OPENING STATEMENT BY THE PRESIDENT

Secretary Hardin has told me about great changes which have taken place recently in the marketing of milk. He has told me about your organization (Associated Milk Producers, Inc.). I am sorry I was unable to attend your convention in Chicago last year.

We are very much impressed with what the Associated Milk Producers, Inc. has been able to do in gaining bargaining strength for producers. Secretary Hardin has told me that a cooperative organization such as yours, through responsible bargaining, can be of tremendous value to producers and may even begin to minimize the need for so many government programs for the dairy industry.

001240

During the years I have been in Government, representatives of dairymen have kept me well aware of the heavy Government involvement in your business. Import quotas, price supports, special school milk programs, marketing orders -- all of these are of real concern to dairymen.

I know too that Secretary Hardin is particularly well equipped to assist dairymen with these programs. His early background as an agricultural economist was as a dairy specialist. As a matter of fact, I understand he wrote his doctoral thesis on milk marketing!

(At this point the President could turn to Secretary Hardin and suggest that he might elaborate on matters of current interest to the group)

WH

- 2 -

WHO ARE VISITORS?

The top executives of Associated Milk Producers, Inc., which is a huge cooperative from Minnesota through Texas.

Headquarters: San Antonio, Texas

They have been effective in bargaining for higher prices for producers and have been active in politics.

U. S. DAIRY INDUSTRY

No. of Dairymen: 1959 - 1,000,000
1969 - 400,000

Production and Gross Income:

1964 - 127 billion pounds - \$5. billion
1970 - 117 " " - 6.5 "

Consumption: Per capita consumption steadily declining

ADMINISTRATION ACTIONS FAVORABLE TO DAIRYMEN

1. Raised support price 1 70. \$4.28 to \$4.66.
2. President imposed import quotas on dairy products, early 1971.
3. President signed 1970 Farm Bill which contained improved Class I Base provision. (This was widely sought by all dairymen.)
4. President signed 1970 Marketing Bill which permits producer "checkoff" of funds for promotion of dairy products.

WHAT DO DAIRYMEN WANT?

001242

1. Increase in 1971 support price. Secretary Hardin, on 3-12-71, announced no change for this year.
2. Economic formula for pricing market milk - Producer proposal was rejected by USDA, but Secretary Hardin has said we'll try to work out acceptable compromise.
3. Continuation of Special School Milk (f.y. 1972) does not include this expenditure of \$100 million.

23. At approximately 10:16 a.m. on the morning of March 23, 1971 Secretary Connally spoke by telephone with the President. According to a memorandum by Whitaker, Connally suggested that the President go along with the dairymen he was scheduled to meet at 10:30 a.m. and announce that he was ready to go to 85% of parity (\$4.92).

	Page
28.1 Tape recording of President's statement during telephone conversation between the President and John Connally, March 23, 1971, 10:16-10:19 a.m. and House Judiciary Committee transcript thereof	556
28.2 White House record of John Connally contacts with the President, March 23, 1971 (received from White House).	560
28.3 John Connally log, March 23, 1971 (received from SSC).	561
28.4 Memorandum from John Whitaker for the record, March 25, 1971 (received from White House).	562

28.1 TRANSCRIPT OF TELEPHONE CONVERSATION BETWEEN THE PRESIDENT AND
JOHN CONNALLY, MARCH 23, 1971, 10:16-10:19 a.m.

TRANSCRIPT PREPARED BY THE IMPEACHMENT
INQUIRY STAFF FOR THE HOUSE JUDICIARY
COMMITTEE OF A RECORDING OF A TELEPHONE
CONVERSATION BETWEEN THE PRESIDENT AND
JOHN CONNALLY ON MARCH 23, 1971 FROM
10:16 TO 10:19 A.M.

PRESIDENT: [Picks up telephone.] Secretary Connally please.
[Hangs up.]
[Telephone buzzes.]

BULL: Mr. President, Congressman [unintelligible] is here for
five minutes.

PRESIDENT: Oh yeah. Tell Haldeman not to come in until -- I just
wanted to call [unintelligible] told Haldeman, I just,
never -- I just told Haldeman to come in. Tell him to
wait.

BULL: Oh, I didn't realize it, sir.

PRESIDENT: All right, hold him. I'll just be a minute.

BULL: Fine, sir.

PRESIDENT: Hello. ["Yeah" in background.]

Yeah, I thought it was, uh, was very, very helpful
for, uh, you to give those guys a good shot like that
this morning. And as I, and I as I am sure you could
see I was, uh, trying to shame a few of them a bit
because --

Yeah.

Yeah. Well, uh, I, I tell you that it's very tight in the Senate. It looks like we're about two votes short. Isn't that something?

Yeah. But it's, but for this country and what it is, it's, uh, almost a death wish isn't it? It's a death wish. They, uh, we, uh, we're afraid to do this or that because of, uh -- Well, it's a -- as the country gets more and more intelligent, they get, uh, more and more fearful; and that's, and that's what happened to the Greeks, and what happened to the Romans, it's what's happened to the British, it's what happened, you know -- That's what happens.

Yeah. Huh, well, it's a retreat from greatness, too. It's a retreat from leadership. Retreat from leadership-- but anyway, we're on the side of the angels, and, uh, and I appreciated your picking up and pitching. That's the way to do it, slug it right to them.

Um hm.

Yeah.

Yeah. Well, you've handled it all extremely well. That's all right. [Laughs]

Yeah. Yeah, the -- don't worry. They, uh, they'll
remember it. [Laughs]

Yeah, at 10:30. [Telephone rings.]

Yeah. Yeah. They're quite a, quite a group.

Uh hm.

You're, you're, you leaning to, to the, [telephone rings]
to do it this year?

Uh hm. Uh hm.

Huh.

Yeah.

Get out the argument that if you do it this year you
raise the price and all that sort of thing.

Right.

Well, I'll try to, uh, be equipped for other things.
He's going to, uh, meet with 'em at 10:30, and I'm going
to try to keep --

Yeah. Yeah, but I want to be sure I don't, don't, don't
cross the bridge today, that's what I mean, and I'm glad
to talk to you about it. I didn't know that -- Okay.

Got it.

*28.1 TRANSCRIPT OF TELEPHONE CONVERSATION BETWEEN THE PRESIDENT AND
JOHN CONNALLY, MARCH 23, 1971, 10:16-10:19 A.M.*

Um hm. Um hm.

Yeah. All right.

Okay.

We'll [unintelligible] in there.

[Hangs up.]

PRESIDENT: Hello [unintelligible]

28.2 WHITE HOUSE RECORD OF JOHN CONNALLY CONTACTS
WITH THE PRESIDENT, MARCH 23, 1971

CONNALLY, JOHN B. SECRETARY OF TREASURY

3/11/71 cont. mtg *with Butterfield*
p lo c / p lo nc but tlk w / Mrs. *1971*

3/16 mtg *100*
CabMtg CabRm ANC

3/18 p lo c / r lo nc / r lo c
mtg OO

3/20 p ld nc / p ld c *2 minutes - 1 minute mtg / min: 3:00*

3/22 r lo nc, RMW take / r loc

3/23 p lo c *3 minutes*
mtg *5:05* OO 5:05 - 5:38
r ld nc APButterfield take

RepubLdrshpMtg CabRm

3/25 NSC mtg CabRM

3/26 mtg *100* OO *Security*

Cabmtg CabRm ANC

3/31 dnr Rsdnce

CONNALLY, JOHN B. SECRETARY OF TREASURY

4/1/71 mtg *4:00* / mtg *3:00*

4/8 CIEP mtg CabRm

4/10 p ld nc / r ld c *10:00*

4/13 mtg *4:00* OO *4:00 - 6:00*

4/14 Swr-in of Chrm SEC OO

4/15 p lo c *10 minutes*

4/16 mtg *4:00 - 10:00* Cab Rm

4/17 Textile Mtg

4/18 p ld nc

4/20 p lo c *1 minute*

4/22 mtg OO
photograsph Rose Garden

r lo c *1 minute*

4/27 mtg *100* OO

CabMtg CabRm

4/29 R lo nc R ld nc

P ld c

001952

CONNALLY, John B.

Secy of the Treasury

5/4/71 Mtg / GOP ldrshp

5/4 Mtg *Quad*

5/4 r lo nc

5/4 p lo c *1 minute*

5/5 OPEN DOOR HOUR / Fed Civ. Serv. Awards

5/5 Mtg *10:00*

5/6 Mtg *10:00* / *Butterfield* OvalOfce

5/7 p lo c *8 minutes* OvalOfce

5/8 WH Correspondent's Dnr SheratonPkHtl ANC

5/9 p lo c *10 minutes*

5/10 Brkfst *10:00* / *Fed, Chrbhny* FmlyDngRm

5/11 Mtg *10:00* OvalOfce

5/11 p lo c *1 minute*

5/11 r lo nc

38

- 2 -

March 25, 1971

001247

CONFIDENTIAL

41

MEMORANDUM FOR THE RECORD

SUBJECT: President's Meeting with 20 Key Dairy Industry
Personnel (Associated Milk Producers, Inc.)
Cabinet Room
Tuesday, March 23, 1971
10:35 - 11:25 a.m.

With Secretary Hardin and Under Secretary Phil Campbell, you met a 20-man delegation of dairy industry personnel because you had decided not to increase milk price supports from about 80% to 85% of parity, and you wanted to hear their case for milk supports up to 85% of parity. You made a brief speech about appreciation of their support and how they were solid, patriotic people representing the heartland.

They made the point that they felt a price support of about \$30-35 million would produce \$500 million in revenue for the dairy farmers. With the taxes on this, it would cost the Government nothing. They also talked about high labor and capital costs putting the dairy farmer in a real price squeeze. Finally, there was much give and take about the question of whether this Cooperative (which represents about 30-40% of the milk industry) could, in effect, control their own production so as not to overproduce.

Hardin and Campbell dwelled on the point that they were not at all sure if prices were increased that production would go up so high that the market would tumble.

[Just before the meeting, Secretary Connally called to suggest that you go along and announce you were ready to go to 85% of parity. Hardin was against this, as it turned out, and you made no commitment

WH

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one way or the other in the meeting. The meeting was held in the background of the possibility that the Democrats are trying to ram through a bill, with Carl Albert leading the troops, for a mandatory 85% price support, which if passed, would put you in a tough spot to veto it with next year's elections coming up.

You promised that although you had missed their meeting last year in Chicago, you would do your very best to come to their next annual meeting (September 3-4, 1971, probably in Chicago again).

Later the same day, you convened Secretary Connally, Secretary Hardin, George Shultz, John Ehrlichman, Don Rice and I to map out strategy on this problem. *

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NOTE: IN THIS PARAGRAPH, THE WRITER IDENTIFIES HIMSELF AS THE SIXTH PERSON WHO ATTENDED A MEETING WITH THE PRESIDENT ON THE AFTERNOON OF MARCH 23, 1971. THE WHITE HOUSE "WHITE PAPER" THE MILK SUPPORT PRICE DECISION OF JANUARY 8, 1974 IDENTIFIES THAT PERSON AS JOHN WHITAKER.

29. On March 23, 1971 from 10:30 to 11:25 a.m. the President, Hardin, Shultz, Whitaker and other White House and Department of Agriculture officials met in the Cabinet Room of the White House with Nelson, Parr, Harrison and approximately 15 other representatives of AMPI and other dairy cooperatives. They discussed political support, price support levels and other matters.

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29.1 Tape recording of meeting among the President and dairy representatives, March 23, 1971, 10:35 - 11:25 a.m., and House Judiciary Committee transcript thereof.	566
29.2 White House list of participants in March 23, 1971 meeting of the President and dairy leaders (received from White House).	617

29.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT AND DAIRY
REPRESENTATIVES, MARCH 23, 1971, 10:35-11:25 A.M.

TRANSCRIPT PREPARED BY THE IMPEACHMENT INQUIRY
STAFF FOR THE HOUSE JUDICIARY COMMITTEE OF A
RECORDING OF A MEETING BETWEEN THE PRESIDENT
AND LEADERS OF THE DAIRY INDUSTRY ON MARCH 23
1971, FROM 10:35 to 11:25 A.M.

PRESIDENT: Let me get around to say hello to everybody.

UNIDENTIFIED: All right. [Laughter]

PRESIDENT: All fifty states. I know the answers [unintelligible]

UNIDENTIFIED: [Laughter] [Unintelligible]

PRESIDENT: Yeah, right. I know you've done a good --

UNIDENTIFIED: [Unintelligible] Mr. President.

PRESIDENT: All right. It's good to see you here.

WHITE: Frank White from Kansas.

PRESIDENT: It's good to see you.

UNIDENTIFIED: Jim [unintelligible]

GRIFFIN: [Unintelligible] Griffin from Oklahoma.

UNIDENTIFIED: Mr. President, Mr. President, right back here are a couple
of --

PRESIDENT: Oh yeah, yeah. Didn't mean to walk by you.

NOTE: The quotation marks used in this and other House Judiciary
Committee transcripts are for convenience and do not
indicate verbatim quotation by the speaker.

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HANSON: Carlyle Hanson, Minnesota.

PRESIDENT: Right, right. Boy, I know those two states.

[Laughter]

UNIDENTIFIED: [Unintelligible] from California.

PRESIDENT: You drink milk don't you?

UNIDENTIFIED: Oh sure.

[Laughter]

PRESIDENT: Well, good. [Unintelligible]. Wonderful time to
leave, uh, you know, for that funeral for that,
uh,

UNIDENTIFIED: Oh, yes, yes.

PRESIDENT: fellow, uh, Whitney Young. Great fellow.

UNIDENTIFIED: All the way from Kentucky.

UNIDENTIFIED: Yes, Mr. President.

PRESIDENT: Good to see you here. Good to see you.

BESSEN: Melvin Bessen from Minnesota.

PRESIDENT: Yeah. Minnesota, [unintelligible]. I can tell the way
you pronounce it.

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UNIDENTIFIED: Right.

UNIDENTIFIED: [Unintelligible] of Texas.

UNIDENTIFIED: How are you?

UNIDENTIFIED: How are you? Good to see you.

PRESIDENT: You're one of our fellows.

BUTTERBRODT: John Butterbrodt, Wisconsin.

PRESIDENT: Yes, glad to know you. Good to see you. [Unintelligible]

UNIDENTIFIED: [Unintelligible] Illinois.

PRESIDENT: Yeah, Illinois.

UNIDENTIFIED: Yeah.

UNIDENTIFIED: Right.

PRESIDENT: Les Arends' state. We just introduced [unintelligible]

UNIDENTIFIED: Unless you —

PRESIDENT: Have you got any farmers in your district? Are you kidding?

[Laughter]

AFFELDT: Paul Affeldt [unintelligible]

PRESIDENT: Yeah.

BISHOP: John Bishop, Mr. President, Iowa.

PRESIDENT: Right, s--, good to see you. Well, we're delighted to have you all here. Would you all sit down. Sorry to have kept you waiting, but I had the Secretary of the Treasury on the phone, and, uh, Secretary Hardin and I had to talk to him about a matter that might involve agriculture in any way, you know. Consider some of those [unintelligible] and the rest, where you're fighting the good battle in the United States and for the ag--, agriculture community. Let me, let me start this meeting with, uh, with uh, with one, uh, one, announcement that may be of some interest to you. I, uh, first wanted to say that I have been very grateful for the, the support that, uh, we have had in this Administration, uh, from this, this group. Uh, uh, I know that, uh, in American agriculture this is the most, uh, widely, uh, recognized -- it cuts across all of the farm organizations. It's representative of all the States. Uh, I know, too, that, uh, you are a group that are politically very conscious. Not in any partisan sense, but that you realize that what happens

in Washington, not only affecting your business, but, affecting the economy, our foreign policy and the rest, affects you. And you're willing to do something about it. And, I must say a lot of businessmen and others that I get around this table, they'll yammer and talk a lot but they don't do anything about it. And you do, and I appreciate that. And, I don't have to spell it out. Uh, my friend, uh, [unintelligible] and some others keep me posted as to what you do. The other thing I would like to say is that, that I, uh, I appreciate the fact that this group -- definite Republicans, Democrats, in this, is, uh -- and this may sound somewhat -- The, uh -- Oh, in these days it is sort of unfashionable to talk patriotism and the rest, but I still do. Now this group is, uh, uh, is uh -- coming as it does -- being sort of a bedrock, the heartland, as we call this America. The heartland exists all over America, not just in the Midwest. Uh, but, uh, that you, that you, have such a strong, deep, uh, commitment to this country for what, what it stands for. Uh, that and, and, and, the thing that -- In many, many ways, all this I appreciate. That's a part of it, in fact, that, that, uh, we, we have s--, immediate problems of great concern to you. But [unintelligible] I've been trying to say in a nutshell is this: That, uh, a great

segment of agri-- , agriculture has done an enormously effective job. Its, its productivity, and, and the quality of its product, etcetera, for America, for American consumers. And for that matter, for the world. But beyond that, uh, this group also has done a job far, uh, uh -- going far beyond it. Uh, it's done -- You, you've stood for those things that, uh, are deeply needed in this country today. And, uh, you may next, perhaps, uh, you are a relatively small group -- I just want you to know that in this, in this office, that kind of commitment, that kind of support above partisanship, this is something that I am deeply grateful for. Uh, now, with regard to another thing, I, I, uh, missed your meeting in Chicago last year, as you are aware. In fact, uh, the Secretary gave a message. But, uh, I want you to know that I have talked to our --

UNIDENTIFIED: Mr. President?

PRESIDENT: In fact, that's the Vice-President's chair. That's the hot seat. [Laughter] And, uh, you're in -- the Secretary of, uh, Defense, uh, belongs here. Attorney General, uh, let's see -- That's as far as we better go. We don't want to get into that. Anyway, uh, I missed your meeting in Chicago but, uh, Cliff, uh [unintelligible]

about the possibility of your next meeting. And, I want you to know that, uh, at your next annual meeting, since I missed the other one, that I, uh, I'm going to do the very best I can, lacking some kind of a foreign trip, or something, to come to it. I'd like to -- I think that, one, you can't do each of these meetings each year, but, uh, one of the years while I'm in this office -- This would be a pretty good year, since it's a non-election year. And, uh, I'd like to, uh, meet with your [unintelligible] I won't talk too long. I, uh, did want to just discuss with them some of these general thoughts that I have expressed to you today. So with that introduction, uh, that I, throw the ball over to Cliff Hardin. And, uh, Cliff, uh -- you then may want to throw the ball back across the table. We are really interested in hearing what your views are. Uh, we've got many decisions at the present time, as you know, of, of the [unintelligible] made regarding imports, with regard to the, uh, price supports, and all the rest. And [coughs] so, uh --

HARDIN: Well, maybe I should just make a statement, Mr. President,

PRESIDENT: Yes.

HARDIN: that, that kind of shows you where our, our differences are. We do have a couple, uh -- I don't think there's any

quarrel at all in what the facts are, uh, where we are on milk production, and, uh, consumption -- these sorts of things. The situation needs to be resolved. I am told they did raise the support price of milk, uh, uh, on a more conservative range before, at one time, and you did so at that time for good reason. Uh, production was dropping; uh, it looked as though consumption might pick up a bit. And, knowing that the dairy industry is a business in which it is hard to get in and out, uh, quickly, uh, we were a little concerned that we might be short of milk by the middle seventies, and that we'd better move. Well, it did work, uh, or something worked. Uh, milk production did increase a bit. Uh, I understand it is too soon to tell whether this is a new trend or, uh, how long it will last, but the facts are that milk production is running ahead of a year ago. Uh, total consumption last year was up a little, uh, per capita consumption down a bit. And the, uh, [unintelligible] had to buy to support the price. The cost of that is a little higher this past year than the year before. Now, that's not the real issue. The real issue is, in my mind, uh, whether we dare to raise the prices, uh, which eventually results in some increase in the retail level. Uh, maybe not immediately, uh, because they're, they're drafted at

market price above supports now, uh, just a bit. Uh, but, uh, uh, there is a point in these agricultural commodities where we don't control supply. Uh, where you can push over the hill. Where total returns start reducing if you boost the price up. And, uh, no one can prove whether we're at that point or not. It's a matter of judgment. And I think that's where our differences have, uh, come. We have talked to these men, that, uh, -- this is a time when I think we have to be statesmen. We have to look at what's best for the man that's pulling the teats out on the farm, if I can use that old expression.

UNIDENTIFIED: You do it with machines.

HARDIN: And, uh --

[Laughter]

PRESIDENT: I know something about that.

[Laughter]

UNIDENTIFIED: [Unintelligible]

HARDIN: But, uh, that, that's, that's the issue. I think we'd, I'd like to hear these men

PRESIDENT: Right.

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HARDIN: speak up, uh, to us on, on the point.

UNIDENTIFIED: Let me say that I, Harold and I stated this earlier,
so --

PRESIDENT: That's, that's really it, that's where -- Cliff's really
trying to get to do the right thing. In other words,
the point is, the, you can get, uh, if you can get the,
uh [unintelligible] come up with, you get the, uh,
price too high, you get a situation there, you're --
It's down, it's -- Drop off something drastic, and, and,
and, uh, so we'd like to know your views.

NELSON: All right.

PRESIDENT: We will go around the table and tell us what you want.

NELSON: First, Mr. President, uh, on behalf of all these gentle-
men, I want to, uh, thank you for the opportunity. We're
honored to, uh, to be here, and we know how busy you are, and,
uh, we're deeply appreciative of the opportunity to be
heard by you. Uh, these gentlemen all know, uh, while,
uh, many people in agriculture don't think of you as having,
uh, agricultural background, they all heard, uh, what you
told me on the telephone talking to me at our meeting about
the fact where, uh, [unintelligible] Congressmen
[unintelligible] problem agricultural area. That, uh,
you're deeply aware of the, uh, economic, uh, importance

of agriculture and that you have an unsullied track record in support of, of, uh [unintelligible] agriculture. They all know that.

PRESIDENT: My mother and father are both from Indian--, one from Indiana and one from Ohio.

UNIDENTIFIED: Oh.

PRESIDENT: And finally when they retired they went back to the farm and so I have a little bit of agriculture background.

NELSON: So at least you see -- you've seen something of the farmer. Uh, and the Secretary is, Secretary has stated, he is, uh -- We have no quarrel, uh, as to data, and, uh, it's, uh, strictly, uh, a matter of judgment. We have had an opportunity fully to discuss our views of -- with the Secretary. Uh, some points, uh, we have tried to reach, the points with which we, uh, assume are of concern to you, uh, we wish to, uh, tie this case right up to them. Uh, number one: [clears throat] affect on, uh, consumer prices. Well, with response to that, it's different. Uh, the, uh, level of receipt is really, uh, a market level at this time. And, uh, in our view it wouldn't set, uh, involve any increase in consumer prices. Uh, although we know that it's inevitable there will be an, an -- press

even based on this, uh, uh, existing immediate situation there have been some increases in consumer prices of milk. And, and, uh, of course, uh, we know some more of that'll be the involved, uh, due to inflationary forces -- which we are well aware are not your inflationary forces. Uh, number two is for the need, uh, insofar as farmers are concerned, uh, I, I think that's pretty well, uh, uh, irrefuted. The, uh, feeding-milk ratio is the lowest it's been in ten years. The cost of labor, machinery, uh, fuel -- everything that farmers use to, uh, that is involved, uh, in, uh, production of milk -- uh, it's, uh, has increased, and is increasing and they are in a real, real bind. Uh, and it's our view that irreparable harm could result unless, uh, action is taken to at least try to maintain a status quo, uh, on this now. Mr. President, we know that, uh, all the -- everybody here is your friend. And, and, uh, I know you know as we know that sometimes it's hard to convince a friend that what you're trying to get him to do is, uh, good for him, but that's the posture that, uh, we come here in. Uh, [clears throat] the, uh -- not, not setting the support at, uh, approximately 85 per cent our figures, uh, show, would result in, uh, decrease in income to dairy farmers of a half billion dollars. And, uh, the, uh, cost to the Government [clears throat] of

uh, setting at that figure would be an increase of thirty to thirty-five million dollars. So, the arithmetic we like to use on it is that if you take twenty percent of a half billion, you've got a half, uh, you've got a hundred million dollars. And so, uh, in that view we feel that the net cost to Government would be actually no cost, and, uh, a gain. Uh, another thing, uh, that, uh, is of concern to us, as your friends, is that, uh, the timeliness of the action. Uh, we all know that sometimes if action is delayed, it's not appreciated as it would be if it's taken in a timely manner. And, uh, that pretty well, uh, sums the, uh, thing up, uh, as concisely as I know how, insofar as our position, uh --

PRESIDENT: Let me get this, uh -- [coughing] this is, uh, this is, uh -- The real point, the real point is this: what we put -- say that the, uh, the raising the thing to eighty-five doesn't bother me a bit.

NELSON: Yes, sir. Yes, sir.

PRESIDENT: The question is, how are you going to look a year from now? Now, does anybody have any other view on this? Is this the unanimous view? I, uh -- See, that's the concern that, uh, has been expressed as to whether or not if you,

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you go that you are going to eighty-five [unintelligible]
said that the figure in those terms would

UNIDENTIFIED: Yes, sir.

PRESIDENT: mean the budget probably work all at the same salary.
That they're hard,

UNIDENTIFIED: Yes.

PRESIDENT: but it can be done. But the main point is, what is it
going do in terms of, uh, of encouraging overproduction?
Isn't that really what you're talking about? And that
produces uh, uh, uh -- Phil, you want to say something?

CAMPBELL: Sure. The figures actually show, of course Harold knows
these figures, and I think most of the rest of them do
around the table. And, this is of greatest, greatest
concern to us, uh, to our office, because here
and there for a year or so of Secretary Patterson,
the price was raised, and then immediately it, it, it
had to be reduced. It was reduced because of a big
increase in production by about five billion pounds, and
prices were reduced from three dollars and eighty-five
cents a hundred in 1952 and three, down to three dollars
and fifteen cents in 1954 and five, which is a seventy
cent reduction. The same thing happened again, and, uh,

when Secretary Freeman came in a few years later. The price was raised up to a high of three dollars and forty cents in 1961-62. The production was its very height of a hundred twenty-six billion pounds and then the support price had to be dropped back to a low of three dollars and eleven cents, which is a drop of twenty-nine cents a hundred. Well, now this is the past history. This is what we look at. Uh, if we knew it wouldn't stimulate milk flow and it wouldn't go on back up to a hundred and twenty, twenty-two, twenty-three, twenty-four billion pounds, I don't think anybody would have any argument as to what would occur. But, and we don't know and we frankly don't think you people can know, either.

NELSON: All right.

CAMPBELL: [Unintelligible] because we think everybody is in a, in a, in a vacuum here as to the point the real situation is. Because we did have a turnaround. Now, I'm not convinced this is a true turnaround personally, although we have an increase of a billion pounds, because we did have a reduction in cow milk, still, last year and I don't think --

PRESIDENT: Uh, uh, a reduction?

CAMPBELL: A reduction not only in milk cows --

UNIDENTIFIED: [unintelligible] total numbers --

CAMPBELL: So we don't really, really -- I think the increase is a result of, of, milder weather in the winter time which has quite a lot to do with production, Mr. President. Now mild winter you get much better milk flow than you do on a very severe winter.

PRESIDENT: Yes.

CAMPBELL: Well, in the previous winter, there had been a very severe winter. Last winter was a mild one, and then the problems of forage and and feeding and so on.

PRESIDENT: So that, so there's, there's another thing we can focus on.

CAMPBELL: Yeah. Yeah, and,uh, but,uh, we don't know that this is a real turnaround, because the conscious decision of dairy-men to increase, uh [unintelligible]. The,uh, so that, that, really is, uh, is,uh, where we, uh, we're in the dark and we felt as though a little bit more time should be given to find out if this is a real turnaround, because if we were to raise the prices up to about five dollars from the present four sixty-six and we were to jump back up to a hundred and twenty, three, or four, five billion pounds, well, we would have -- unless per capita consumption increased, unless increasing population took it

up in the marketplace, the same amount of milk that cost six hundred million dollars in 19, uh, 62, would cost close to a billion dollars because of the difference in price was just about five dollars instead of just over three dollars. Uh, and, uh, this is, this is, a matter of real concern that, that we have. We are just in the dark. If this is not a real turnaround, well, we still got room to raise prices.

PRESIDENT: All right. Who'd like to talk?

HARRISON: Mr. President, these organizations which are, have discussed with my clients represent about eighty-thousand dairy producers. First thing I had to learn when they came to us was that the producer is not the cow, but the farmer, so I've had to learn a lot since then. We think that under the base plans which your administration has been so helpful and the Secretary of Agriculture so helpful to promote it, plus the new promotional legislation which permits money to be spent for certain types of promotion, which your administration also has enthusiastically supported. That so far, except the last week or two, there has been almost nothing that the dairy industry has wanted that this administration has not been pretty enthusiastically for. Uh, the combination of those

factors plus the turnaround the last two quarters for last year -- putting the two together, the dairy industry is doing a more effective job than it's ever done before in controlling production. But, I suppose as a lawyer and sitting in the Attorney General's seat I'd have to say that there, that, uh, Secretary Campbell is right to this extent, there's nobody that can absolutely swear on a stack of Bibles and absolutely guarantee that this turnaround might not be permanent, because --

PRESIDENT: [Unintelligible]

UNIDENTIFIED: We don't know absolutely for sure.

HARRISON: That's right.

UNIDENTIFIED: No --

HARRISON: But, uh, Mr. President, the odds are that it will.

CAMPBELL: But the weath -- Mr. President, the weather will even out. The weather is not -- that's the great factor.

PRESIDENT: Yes.

CAMPBELL: It will not stimulate total overproduction.

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PRESIDENT: That's just -- Check first.

NELSON: But, uh [clears throat] the analysis being made are the same people who've been right now, seven years in a row. Uh, in any case that, uh, that, this is not a turnaround. That's their projections. And, uh, we have been right -- I mean they've got an enviable track record, that this is not, uh, a turnaround. And, uh, as they, uh, I forget whether it was Secretary Hardin or Secretary Campbell, I believe it was Secretary Campbell, pointed out that, uh, there has been a turnaround in total, uh, consumption. I mean there has been, uh,

PRESIDENT: Right.

NELSON: a change for the better.

PRESIDENT; Yeah.

[Several
voices]: Yeah.

NELSON: There is -- now, I don't say that's a turnaround, either.

PRESIDENT: More, more consumption.

NELSON: Yes sir, and, uh, as Mr., uh, Harrison pointed out, uh, we, uh, we do have the means now to do more about controlling consumption with, uh, production, with this

base-plan legislation, under this [unintelligible] legislation. Over a six state area of this organization, we have voluntarily invoked base plans which have demonstrated the ability to tailor production to the consumers it meets. Now, this new legislation we feel we can spread to these other areas so we have that going for us that we hadn't had before. We have, one additional item, which is very close to the Secretary's, uh, heart -- I'll use a more better term, which will be acceptable to him, and that is, this promotion legislation. Uh, this route has demonstrated this. He says eighty-thousand dairy farmers representing thirty billion pounds of milk, is willing to spend money for promotion. And we're now embarked upon a program developing a promotional and marketing program that are tied together which is the first time this has ever happened. But, if we're going to be able to take the money to do this, we've got to get it at a time when we are at least holding our own, and not in a time of falling, uh, uh, regarding land prices.

PRESIDENT: Yeah, one thing about that I insisted -- a little aside -- is that, uh, the, uh, the, to get the, uh, I don't know what, what can be done about it, but the medical profession don't really know much about

cholesterol. Uh, that you're being a little more co-operative, talking about it. I mean that's -- If you fix a glass of milk and have a heart attack; well, I can think of a lot of other things that's going to give you a heart attack. A lot sooner, too.

[Laughter]

PRESIDENT: But, uh, incidentally, I, uh, do happen to drink a lot of milk. Well, but, uh, uh, -- What, what's the medical profession doing in that respect?

NELSON: Uh --

PRESIDENT: There is cholesterol that goes up and down, you know. They say, "No eggs, no milk, no [unintelligible]."

UNIDENTIFIED: Now --

PRESIDENT: They're not sure.

UNIDENTIFIED: Yes.

PRESIDENT: Cholesterol, as you know, is related to stress, it's related to -- You, you'll have a test made one, uh, one week, or, uh, above normal, and next week, uh, [unintelligible] be below, which, uh, uh, maybe you were drinking the things that were, other people drink here, uh --

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[Laughter]

NELSON: We've had some breakthroughs on research in the last six months. It, uh -- For the first time it appears to be, uh, uh, favorable [unintelligible] reports and so on. And I've just formed a new organization that has, uh, wide-spread support among the producer organizations, that is, uh, providing research money. And we're talking about basic research, pure research, uh, for the first time, which we --

PRESIDENT: You are?

NELSON: Yes sir, yes sir, yes sir; we are. For pure research. And, uh we feel that this can't help but, uh [unintelligible] and good results.

PRESIDENT: You've got one point. It's simply not to get into your business at all, but, uh, in your promotion, every --, everybody is going for gimmicks these days, you know.

NELSON: Yes, sir.

PRESIDENT: Take, take sleep inducers. Now, uh, uh, an article in Reader's Digest a couple of months ago in regard to sleeping pills -- enormous use of them -- But, but

almost any, any, uh, person who really studies sleep will tell you probably that, that, that lacking a pill -- I mean which some, which has side effects, which many times are not [unintelligible] -- the best thing you can do is milk. Any kind of thing, you can just, just a glass of milk. You don't have to talk with it or anything like that. It could be warm. It could be, uh, tepid, or it could be cold, but, uh, but it has a certain soothing effect. Uh, you get people started on that.

UNIDENTIFIED: Well, that's --

PRESIDENT: And that's, that's my marketing picture.

[Laughter]

UNIDENTIFIED: It didn't help sleep yesterday.

PRESIDENT: I already got that. [Laughter] Look, but let me tell you that the sleep problem is of course the, it's, uh, it's, uh, an American psychosis at the moment. In all advanced societies, over fifty percent of the American people that are adults, uh, at this time take some form of sedative. Uh, now, here's, here, here's, here's the mountain. You can go to work all the time, maybe -- if some -- sometimes you've just got so many problems you're

not going to sleep. But, that's all psychological, too. If you get people thinking that a glass of milk is going to make them sleep, I mean, it'll do just as well as a sleeping pill. It's all in the head.

GRIFFIN: Mr. President?

PRESIDENT: Yeah.

GRIFFIN: Speaking as a dairy farmer, the difference in this four dollars and sixty-six cents and the five dollars is just about your breaking point as to whether the average dairy farmer in Oklahoma makes it or doesn't make it. Now, uh, I believe that I'm as familiar with dairy operations as anybody in the state of Oklahoma. Uh, in fact, all of the farm programs we've had over all these years. But, we're a unique bunch of people, the dairy farmers are, uh -- We started out back when we could just use ten gallon cans and an old cooler and get by. Mr. President, that doesn't exist today. The, the inspectors say you have to have tile walls. You got to have the latest equipment. Uh, you're talking about, uh, in our loan corporation -- I was looking the other day, -- in our average size loan to dairy farmers today is about thirty-nine thousand dollars loan. [Unintelligible]

HARRISON: [Unintelligible]. That's a loan corporation that's owned
by the farmers.

PRESIDENT: Sure.

GRIFFIN: Look, those, those farmers can't --

UNIDENTIFIED: Co-op.

GRIFFIN: Mr. President, but, but, we're -- I'm, I'm really
conscious of this thing because I'm the fellow that,
that approves those loans and I can see this gradually
growing. And, uh, I, I, can see the Mr. Secretary's,
uh, problem here of, if you just knuckle down
with it -- cost us -- and not make us any money. If
we had bigger farmers that has to make "x" amount of
dollars, and if he gets a higher price, he'll take those
dollars or if he doesn't get a higher price he's going
to fix you enough milk out there to get them anyway.
So it helps both ways. But, I, I can see his point,
but you can, if you got to have so many dollars and it
takes more pounds to get it, why, he's going to produce
those pounds, Mr. President. And that, and that's --

UNIDENTIFIED: Based on a short [unintelligible] basis.

GRIFFIN: Right, but I'm talking from a -- You've heard these

professional people, but I'm talking from, uh, from a dairy farmer because that's exactly what I am.

UNIDENTIFIED: Would you say you would not milk any more cows than necessary. In other words, you don't milk an extra cow just because you like to.

GRIFFIN: You, you would, you don't, you're not looking for a job, I'll tell you.

UNIDENTIFIED: I think that's the point. What is honest.

UNIDENTIFIED: Yeah, what could they do.

UNIDENTIFIED: Make it again. You mean that, uh

UNIDENTIFIED: I think the whole point in this is that dairymen, because of inflation, a necessity of certain return of income -- he's looking for so much.

UNIDENTIFIED: Gross.

UNIDENTIFIED: He's not milking gross. He's not milking additional heads of cow just because he has a love for the dairy industry cow.

PRESIDENT: Okay.

UNIDENTIFIED: Although he does have a love.

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PRESIDENT: But, uh, so you're -- Are you suggesting then that a raise in the price in, in the support is not going to mean, uh, necessarily --

UNIDENTIFIED: We don't think it'll mean necessary to the increase, because he has judgment.

PRESIDENT: Yeah.

UNIDENTIFIED: And I'm --

PRESIDENT: Sure, sure, sure.

GRIFFIN: But, uh --

PRESIDENT: Really, what we'll really get down to here is psycho -- is, is psychology.

UNIDENTIFIED: Psychology of it.

PRESIDENT: Isn't it? And that's something

UNIDENTIFIED: The dairyman today has changed.

PRESIDENT: You fellows know more about than we do.

UNIDENTIFIED: The dairyman today has changed over years ago.

PRESIDENT: Your, your judgment on the psychology is that he is likely not to, to yield production.

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UNIDENTIFIED: Absolutely.

UNIDENTIFIED: Yeah. He isn't one of them.

PARR: People around the group -- we're in about a hundred and twenty different organizations.

PRESIDENT: Uh hm.

PARR: They consolidated now just recently. I mean, this is the last two, three years.

PRESIDENT: Yeah.

PARR: This eighty-thousand are now -- we're at one time a hundred-twenty different board of directors.

PRESIDENT: Yeah.

PARR: We just got together. Now, uh, as, as you say, uh, as somebody said -- as Marion said a while ago that, uh, this administration has been, uh -- We publicized this, uh, uh -- You've been one of the best administrations we've had. Just put it plain. I come from long roots Democrats, as you well know, from Arkansas. I'm just being very frank about it. But, uh, this, uh, we got, uh, more --

UNIDENTIFIED: There's some hope for him, Mr. President.

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[Laughter]

UNIDENTIFIED: Not much.

PARR: I was also campaign manager for John Paul Hammerschmidt.

UNIDENTIFIED: Yeah.

PRESIDENT: That's right.

PARR: In the third dis--, district. And the point here is that all of a sudden we get together and ride them real good, and, uh, boy, this, this should be a real terrific blow. We're trying to get in a position of self-help.

PRESIDENT: Um hm.

PARR: Which we're doing.

UNIDENTIFIED: We're close to it.

PARR: We're closer to it than we've ever been.

PRESIDENT: Self-help.

PARR: Self-help it is. We, we eliminate the, uh, our, our dogmatic type of position of fighting one another.

PRESIDENT: That seems important.

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PARR: And, and the, and the

PRESIDENT: Yeah.

PARR: support program we want to get in position so we
can run our own self-help support program.

UNIDENTIFIED: Right.

PARR: [Unintelligible] sit there and get it now, that we
talked about it before. And, uh, so we get all these
organizations together and, and here we are. And costs
are still going up, and, and all of a sudden our -- starts
with these people start looking up, says, "Well, what
happened to your -- what happened?"

PRESIDENT: Um hm.

PARR: Then we're, then our organization structure, an organi-
zation structure, we cannot get it all, uh -- We can't
keep on moving towards it, see, by consolidating, getting
ourselves -- eliminating our inefficient plants like we're
doing right now.

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: Right.

PRESIDENT: When you say eliminate your, uh -- tell me about that.
Do you -- How do you do that?

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PARR: Well, see you've got --

PRESIDENT: How do you get -- Do you, your members do that,

PARR: No .

PRESIDENT: or -- You can't tell a guy to --

PARR: Oh, no, no. What I'm talking about is a milk plant, say,
in Minnesota. You got one every seven miles.

UNIDENTIFIED: Manufacturing plant.

PARR: Manufacturing --

UNIDENTIFIED: Owned by processors.

PARR: Owned by processors.

UNIDENTIFIED: They're owned, they were owned by co-ops.

UNIDENTIFIED: Co-ops.

UNIDENTIFIED: Farmer owned.

PRESIDENT: I see.

NELSON: And it's a very inefficient thing, see, because they
don't have volume, uh, to do it.

PRESIDENT: So how do you, how you do get that done?

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PARR: We, we, we put those consolidations together. We say,
"Okay, you were 'x' cooperative and you [unintelligible]
percent to this plant, and now we're all together, so
there's no use of having that plant anymore. Let's cut
that volume over here at another town."

PRESIDENT: Um hm.

PARR: And make it -- So we do that, then we raise the pro-
ductivity

PRESIDENT: Um hm.

PARR: of our own opera-- uh, ability to pay in a
cooperative, see.

PRESIDENT: Wha-- why are -- You're able to do that now because
you've brought the organizations together.

PARR: Right.

UNIDENTIFIED: Efficiency.

PRESIDENT: When did the organizations -- when were they brought
together?

PARR: Last years.

PRESIDENT: The last --

UNIDENTIFIED: -- two years.

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PRESIDENT: That's quite an achievement.

PARR: It's not an experiment.

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: Don't say that while I'm sitting here.

PRESIDENT: Oh, I won't go that far. [Laughter] Matter of fact,
the room is not tapped. [Laughter] Forgot to do that.
[Laughter]

UNIDENTIFIED: Mr. President, I think probably so far as experience is
concerned, I've had about as much in the dairy business
as anyone. I was born and raised there and haven't been
away from it since. And, I think I know what dairy
farmers are thinking and I think I know what kind of a
job it is to get information, communicate with dairy
farmers. As it's been mentioned here we have done
remarkably well during this administration getting the,
uh, check-off programs as we call it, for advertising,
promotion, and the, and the class-one base plan. Now,
these plans. We want to augment them, we want to put
them into, into force. But as long as these dairy farmers
feel that the price of milk is declining and, uh, going
down, it's going to be difficult to sell them and use
these programs that we've already gotten you, ya, yeah,

by working with the Administration -- the Administration working with us. Uh, these dairy farmers are not a peculiar lot, or anything like that. They're just good businessmen. They live it seven days a week, sixteen hours a day. And I, I think that, uh, with all due respect to the economists, uh, they have overlooked a lot of the things in the economy because I come up through a period when they said: "Well if you get four dollars a hundred for milk they'll get it on the rocks." Well, they didn't, because people went into other activities, occupations, because they don't like these hours. And unless the individual is dedicated to the dairy business, he's not going to stay there that way. Now, I'll admit that, uh, the increase in prices -- I mean the, uh, increase in production is going up to, uh, prevails now and that, uh, it's a matter of facts and figures, beyond a doubt, but that it's going to influence things that much. Experience has taught me you just don't do it.

ALAGIA: Well, another point, Mr. President, is that in the South-east with these, uh, dairymen, here, uh, uh, they're very conscious that they're, uh, uh, caught in this inflation which is not, not certainly yours. And, uh, uh, their

UNIDENTIFIED: [Unintelligible]

ALAGIA: costs are up and, uh, yet their prices, uh, uh, are now, because of support, are going to be going

down. It will cost them uh, uh -- Well, they're just going to lose ground and they're going to be, uh, to put it, uh, brutally frank, I'm satisfied that there'll be more dairymen going out of business. That's for sure.

PRESIDENT: What part of the Southeast are you referring to? The Georgia, South Carolina --

ALAGIA: Kentucky,

UNIDENTIFIED: Tenne--, Tennessee.

ALAGIA: Virginia,

PRESIDENT: Kentucky.

ALAGIA: Mississippi, Louisiana, Alabama,

UNIDENTIFIED: Delaware.

ALAGIA: Georgia.

UNIDENTIFIED: Tennessee.

ALAGIA: Tennessee. Uh, and uh --

PRESIDENT: That's uh, that's pretty, pretty heavy milk producing area, is it not?

ALAGIA: Well, we have, -- It's approximately about, uh, six

million pounds of -- we market a year, in Dairyman Incorporated. And there's about fourteen or fifteen billion Grade-A pounds in the Southeast. Uh, and, uh, we're satisfied in our judgment, as well as in the judgment of these other men at the table, that, uh, uh, uh, production isn't going to be, uh, uh, going, uh -- It is not going to be on the increase.

PRESIDENT: Let me ask you, uh, let me, let me come to the key point. Suppose it does? Let's, uh -- What, what do you think you'd do then? What?

ALAGIA: I, I think, Mr. President, in the, uh, in the latter part --

PRESIDENT: [Unintelligible] Wouldn't you hate to have to do something next year?

UNIDENTIFIED: I think the dairymen will take care of themselves.

ALAGIA: I think we can take care --

UNIDENTIFIED: They'll take care of themselves.

UNIDENTIFIED: Base plans --

UNIDENTIFIED: Individually.

UNIDENTIFIED: We have to put your base plans in [unintelligible]

This is the self-help, that, uh --

GRIFFIN: Mr. President, we have in Texas, Oklahoma, Arkansas and part of New Mexico base-plan now [unintelligible] the total net transaction in Kansas is total net [unintelligible]

PRESIDENT: Yeah.

GRIFFIN: But, but it's, uh, doing an excellent job and, and that's the point that we are getting over when we get over this hump, that's exactly what -- We don't want no hand out, uh, we want to control exactly what the consumer needs and that's all.

NELSON: And, it'll give good -- Uh, I think it's utterly, uh, uh, I think everybody would have to agree it's utterly impossible to, or, uh, unthinkable that production would turnaround so dramatically as, uh, to create a problems by next year.

PRESIDENT: Let me ask -- Uh, uh, [unintelligible] the problems create [unintelligible] next year. I wondered what process were, was available. Uh, you, you really mean that your organiz--, that you were so well organized that you think you might be able to, uh, do something.

[Several
Voices]: Yes, sir. Yes, sir.

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PRESIDENT: And you couldn't have done that, say, when, uh,
Ezra Benson [unintelligible]

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: No, not, uh, when Ezra Benson or [unintelligible] Orville
Freeman.

UNIDENTIFIED: [Unintelligible]

PRESIDENT: Why, this is very important, that's why -- What are y--
Uh, this, this is, uh, this means, uh, uh, a new back to
the, uh [unintelligible] did not have before.

UNIDENTIFIED: Yes, that's correct.

UNIDENTIFIED: Uh --

GRIFFIN: Mr. Secretary, I'd like to say that this -- What you
just said [unintelligible]

UNIDENTIFIED: [Unintelligible] not the Secretary [unintelligible]

UNIDENTIFIED: I'm sorry.

PRESIDENT: [Unintelligible] Yeah. Excuse me. Go ahead.

UNIDENTIFIED: No, that's, that's, uh, uh --

PRESIDENT: You did -- I did -- I didn't realize though that you --
You really think you can --

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UNIDENTIFIED: Yes.

UNIDENTIFIED: They demonstrated in, uh --

UNIDENTIFIED: [Unintelligible]

PRESIDENT: Go ahead.

UNIDENTIFIED: No, I was just going to say, you talk about this
psychology --

PRESIDENT: Yeah, that's really it.

UNIDENTIFIED: Yes. We've got the response --

PRESIDENT: The individual person, who is the free enterprise system,

UNIDENTIFIED: Right.

PRESIDENT: the guy [unintelligible]. He's going to go breaking out
there. Uh, like, for example, I've been -- Well, uh, I
tell you we're talking about inflation out there, you
know. You know, one of the basic causes, one of the major,
uh, uh, leaders of the inflation -- the construction trade.
I had to take a very hard decision [unintelligible]

UNIDENTIFIED: Right.

UNIDENTIFIED: Yes, of course.

GRIFFIN: Right.

PRESIDENT: the other day. All right, it had to be done, because they had a twenty-two percent increase since last year. And so, uh, these are my good friends, too, believe me -- those construction trade. My, my o-- , my old man was a carpenter -- I, I respect those guys. They're, they're carpenters, and the painters and all those -- They're good Americans, and decent people, but some of their leaders went too far in this thing, and now they priced themselves out of the market. So, now we're getting them together. We're saying, "Look here." Because what this, this Davis-Bacon thing in effect said to them that as far as the government's fourteen million dollars worth of contracts are concerned, that we will not be bound by a law passed in 1933 that requires us to go to a union contractor. We will go to a non-union contractor because the union contractor has priced himself out of the market. Now, so therefore, it has an enormous wobble. Now, the -- So, what happens is these guys are all sitting down. The problem they've got, the problem they've got gets back to the psychological. The problem they've got -- It's not -- And, uh, I sit, I sit around with their national

leaders here, but they got local leaders, and others that say, "Well, gee, I can't speak for that fellow -- Oh, oh, that guy up in New York is too tough. That fellow in Kansas City, Kansas City one was too tough" -- the Chicago one, the Omaha one. Now, the real question that I am asking here is quite fundamental is whether you fellows will be that, that, I mean, you've got that kind of cooperation.

UNIDENTIFIED: Well --

PRESIDENT: Do you want to talk about that?

UNIDENTIFIED: Yes. I, I, uh, we're, uh -- What you're looking at here is, uh, in this group, uh, dairy farmers, about twenty states, and most of the heavy, heavy milk production areas, I guess, except out on the West Coast.

PRESIDENT: They're in part of your organization, aren't they?
The West Coast?

UNIDENTIFIED: No, no.

PRESIDENT: They're not?

UNIDENTIFIED: Not yet.

UNIDENTIFIED: Not yet.

[Laughter]

PRESIDENT: Why do they keep you, I mean [unintelligible] get lawyers from the Midwest.

UNIDENTIFIED: We're working on it, Mr. President. Two year, uh, profits, the two year profits of California that, uh, make it difficult at this stage to bring them in.

[Laughter]

UNIDENTIFIED: Mr. President.

UNIDENTIFIED: I don't think he bought that.

PRESIDENT: Oh, I understand. Oh, that's right. California -- there is a problem. I know Land-o-Lakes. Go ahead.

UNIDENTIFIED: Yes, they do.

PRESIDENT: I know, I know the difference.

[Laughter]

PRESIDENT: Let's get your view.

UNIDENTIFIED: But, but I think the psychology that you're talking about, uh, is important.

PRESIDENT: Yeah.

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UNIDENTIFIED: And I think it needs the organizational structure that we now have, plus what is on the drawing board for continuing this consolidation move. Uh, that we can be, uh, the spreader of this psychology as far as dairy farmers are concerned. Uh, there's, uh -- We have this authority as far as the classical need for it, you give us. The other thing that's going on in the, uh, non-Grade-A statement of this dairy industry is that we have, uh, standards that are being imposed on these dairy farmers at the farm where they're not going to be able to produce milk in the barn yard, under a shade tree. Going to have to have facilities. So, they're going to have to make a decision, many of these ten cow, fifteen cow operations, as to whether they're going to be a dairyman or not when these standards are imposed. And many of them are going to get out. They're going to say my age is such, the average age is about fifty-six -- He's, he's just going to get out of it.

PRESIDENT: Sure.

UNIDENTIFIED: Mr. President, here's what the real catch to it is. You ask the question: "Can -- Do we have the organization to put base-plans in?" Uh, uh, the big challenge here is, if you challenge us, you say "Yes," but you reconsider

this idea of proprietorship and at at same time you've got to be told that production, that we don't want to drop -- doesn't do much in '72. The answer is an unqualified "yes." If we move it up to a hearing immediately the cooperation of the administration and [unintelligible] from the Canadian border to the Gulf of Mexico right down through the, the middle part of this country plus the Southeast. That, we got the capability of doing.

NELSON: That's demonstrated, uh, Mr. President, uh, I want to repeat. Uh, we demonstrated our ability to do this and in six states plus the states

UNIDENTIFIED: Right.

NELSON: that he just referred to. And you may wonder, well, you sold farmers on this, uh, uh, idea, number one, because it works in their best interests. But number two, this base immediately becomes worth money to them. The base that they hold. They, they increase their capital, uh, worth, by many cows. To do this --

HARDIN: Uh, there's a little problem there. It's, it's -- you create a value by government order.

NELSON: Well --

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HARDIN: And, uh, in a sense.

NELSON: Yeah. Well, not when you, uh, uh, well, you may say that, but of course, we've had them, you know, on these states we're talking about now without government orders within regulated areas for the government, uh, uh, where you have federal orders. And, uh, uh --

HARDIN: Yeah. We, we, we do have some protection in the law

UNIDENTIFIED: Yes.

HARDIN: on them against this [unintelligible] risk.

CAMPBELL: Yes, you might get it.

UNIDENTIFIED: Right.

NELSON: Yes, there's, uh, so, uh, I, I, I, I really don't view that as a problem. I'd say that the, uh -- illegally -- we think, that, uh, we represent a rather significant geographical area, where there's sufficient cohesion among dairy producers to put in these base-plans. And, uh, one of the names that you mentioned, Land-O-Lakes, that's not a part of our controlled organization, but I think they'd have to follow us, on this. If you really got into this base thing.

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UNIDENTIFIED: Mr. President, uh, I'd like to make a point. I think you have some [unintelligible] here with regards to the relationship of the Fifties, uh, during the Benson Administration, and the situation then as compared to today. At that time, there was quite a potential of milk in the country that wasn't being marketed and that potential is almost nil today. So that the, the, the price structure will not have the same reflection as it did at that time, because there was a lot of non-marketed milk that came to market with that price situation at that time. And the cow numbers today are the lowest in almost a century.

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: Do you want to move that production up -- takes cows --

UNIDENTIFIED: And its more important than that if you go back and look at the [unintelligible] interest and the calves are not there.

UNIDENTIFIED: There -- that's right. There, the, uh --

UNIDENTIFIED: Reflects the country.

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PRESIDENT: Tell me about this going into the dairy business. Uh,
how big an operation is it?

UNIDENTIFIED: It's a high capital item.

UNIDENTIFIED: That's, uh--

UNIDENTIFIED: But, but, well I'm going to let one of these dairy farmers
talk to that [unintelligible]

PRESIDENT: What about that?

UNIDENTIFIED: Well, Mr. President, it's a very expensive business to
get in any more.

PRESIDENT: In other words if somebody's going to -- First of all,
you've got people in the business. Uh, the question is
what can they do to prevent -- The question, what about
somebody going into the business. What does it cost?
Is it a big deal? A hundred thousand dollars?

UNIDENTIFIED: At least that.

UNIDENTIFIED: A hundred thousand won't do it. It takes more than a
hundred thousand dollars.

PRESIDENT: It does?

UNIDENTIFIED: It takes --

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PRESIDENT: In other words, it's not a business that can be ex-
pansible particularly by new people coming in.

[Several
voices]: [Unintelligible]

GREGG: Mr. President, back in the Fifties, uh, uh, when the
costs weren't such, it wasn't anything for a man with
a few cows, to, to [unintelligible] and go into business.
This no longer exists.

PRESIDENT: Um hm.

UNIDENTIFIED: And you see, and they say it costs --

[Several
voices]: [Unintelligible]

GREGG: Mr. President, one more point that I would like to bring
out. It affects what you said at the very beginning when
you came to the room. And that this is the philosophy of
living in our rural communities. Basically, Mr. President,
I'm from Iowa, and, as you drive along the road, you see
farmstead after farmstead empty, falling into disrepair,
in the, these changing times. And the exodus from the farm
sphere has been to the urban areas. We want, not from
subsidies or anything else, uh, but invested with our own
self-help, to preserve this way of life out there, because
this is really where the, as you said, the rock-rib

heritage, the religious heritage, is there. And, uh,
I live in that country and I love it and I wouldn't
want to live anywhere else, but we want to preserve it,
and we need this help.

UNIDENTIFIED: [Unintelligible]

GREGG: This is, this is, uh, very, very important at this time.

PRESIDENT: Well, I want to preserve it, because that -- It's,
uh, not only important economically to the country,
that's important everywhere. It's far more important
spiritually, in fact.

GREGG: Right.

PRESIDENT: I refer to spiritually in the broadest sense of the --
And I [unintelligible] mean by that, the cities are all corrupt.
People placed in there are not -- But I do mean that you,
you, show me a country that loses its rural heartland.
It sometimes, inevitably, it almost always follows that
it loses its character. And, uh, and, uh, it's funny,
this afternoon, in my view, a, a, uh, the, this, this
solid, uh -- Well, the new frontier basically is now in
the center of the country, not on either coast.
Closer though, because in a sense, uh, because the center is
emptied out, and now we have to find a way of not only

to see that that -- We have all the farmers out there, but ways that you can have your rural communities keep up with us there, and so forth so that people who live in that part of the country and find the schools, the doctors and all the other things that make life worthwhile -- that's what we're all for. On that point, I think we'll have very good -- Well, I, I appreciate this, uh, chance to talk to you and we, uh, I always try to, uh, a distinguished group comes up here to give you a little, uh, momento. Today, uh, you're going, you're going to get the press, uh. [Laughter] Uh, all kidding aside, I have some Presidential cufflinks for everyone here and, uh, with the Presidential Seal. And, uh, doesn't have anybody, any President's name on it, so you can wear it whatever you are. [Laughter] And this, since your wives will wonder where you really were today, uh, you can, uh -- it's a little bow that she can wear if she likes, and the Presidential Seal. Uh, they're, uh, they're rather nice little trinkets. The, uh, the, I think the, the main, the main point about them is that they look more expensive than they are. Uh, you know the old story is that your children will tell you when they go to school, that kings and emperors are -- only give gifts of gold. Well, these are not gold, but only Presidents can give them. [Laughter] Thank you very much.

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UNIDENTIFIED: Thank you.

NELSON: Mr. President, one thing you didn't respond to was, uh, your statement that you'd said privately, uh, considerably earlier at today's meeting, that you wanted to attend our next meeting. We're looking forward to your being there, and we'll tell you now we'll have thirty-five thousand dairy farmers with their wives and families.

PRESIDENT: Who's going to milk the cows?

[Laughter]

NELSON: Well, the cows are going to [unintelligible]

[Laughter]

UNIDENTIFIED: Harold should have told you last Monday: we're going to cut production. [Laughter] We're not going to milk them.

UNIDENTIFIED: Mr. Secretary --

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405 778-3474

WH

29.2 WHITE HOUSE LIST OF PARTICIPANTS, MARCH 23, 1971

Mr. Carlyle Hansen, Regional Manager
Associated Milk Producers, Inc.
Northern Region
Box 455
New Ulm, Minnesota 56072
507 354-8854

✓ Marion Edwyn Harrison, Esquire *(Chenault's law partner)*
Washington Counsel for Associated Milk Producers, Inc.
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Washington, D. C. 20006
202 298-9030

✓ Honorable Patrick J. Hillings
Washington Counsel for Associated Milk Producers, Inc.
Reeves & Harrison
1701 Pennsylvania Avenue, N. W.
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Mr. Wesley Johnson, Executive Vice President and General Manager
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1101 East University
Springfield, Missouri 65804
417 -881-8112

Mr. John A. Moser, President
Dairymen, Inc.
Route 1, Box 560
Louisville, Kentucky 40218
502 241-8281

001237

✓ Harold S. Nelson, Esquire, General Manager
Associated Milk Producers, Inc.
GPM Building, 4th Floor
San Antonio, Texas 78216
512 341-8651

✓ Mr. David L. Parr
Associated Milk Producers, Inc.
Box 9589
Little Rock, Arkansas 72209
501 562-1900

WH

29.2 WHITE HOUSE LIST OF PARTICIPANTS, MARCH 23, 1971

Mr. Bill Powell, President
Mid-America Dairymen, Inc.
Route 1
Princeton, Missouri 64673
816 740-3101

Mr. P. L. Robinson
Dairymen, Inc.
Jonesboro, Tennessee 37659
615 753-3386

Mr. Avery Vose
Associated Milk Producers, Inc.
Route 2
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312 427-2255 office

Mr. Frank White
Associated Milk Producers, Inc.
Route 2
Cedar Vale, Kansas 67024
316 758-3600

001238

WH

Department of Agriculture Attendees

Clifford M. Hardin, Secretary

J. Phil Campbell, Under Secretary

Clarence D. Palmby, Assistant Secretary

Richard E. Lyng, Assistant Secretary

William E. Galbraith, Deputy Under Secretary

001239

White House Staff Attendees

George Shultz

John Ehrlichman

Donald Rice

Henry Cashen

John Whitaker

WH

30. On March 23, 1971 from approximately 12:18 p.m. to approximately 1:07 p.m. the President met with Ehrlichman and Shultz in the Oval Office. At an unspecified time on March 23, 1971 the President had a telephone conversation with Colson.

	Page
30.1 John Ehrlichman log, March 23, 1971 (received from White House).	622
30.2 White House record of George Shultz contacts with the President, March 23, 1971 (received from White House).	624
30.3 White House record of Charles Colson contacts with the President, March 23, 1971 (received from White House).	625

30.1 JOHN EHRLICHMAN LOG, MARCH 23, 1971

Indistinct document retyped by
House Judiciary Committee staff

Ehrlichman log

162

FRIDAY, MARCH 19, 1971

8:00 HRH office
8:30-11:00 President
12:00 John Osborn (New Republic)
2:00 Sec. Volpe, Shultz, Magruder, MacGregor, Timmons (SST)
3:00 George Shultz
4:00 Sec. Hardin, Whitaker, Cashen, Shultz, Cook, Rice
(Milk Price Supports)
7:00 Car at west basement
7:15 Depart for Williamsburg from Pentagon helipad
(with Lundquists)

MONDAY, MARCH 22, 1971

7:45 Car at west basement
8:00-10:15 Breakfast meeting at HUD - Romney's office (Romney, Volpe,
Hardin, Stans, Blount, Burns, McCracken, Deming)
11:00 Reorganization briefing - Roosevelt Room
12:00 Weinberger, Morgan, Evans, Cole
2:00 Jerry Schecter (Time)
4:00 Roosevelt Room - HAK Laos briefing

TUESDAY, MARCH 23, 1971

8:00 Leadership - Cabinet Room
9:45 Shultz, Hodgson
11:00 Morgan, Colson, Dent, Cole
12:00 President, Shultz
3:00 President, Mayors
4:45 President, Connally, Hardin, Shultz, Whitaker, Rice
(Milk Price Supports)
5:50 Colson
7:30 White House dinner - Etherington - Voluntary Center

WEDNESDAY, MARCH 24, 1971

8:00 HRH office
10:45 Frank van der Linden
11:45 Barber
12:15 Depart White House
12:30 Depart Andrews enroute Boston
2:00-4:00 Christian Science Monitor editorial board
4:30 Depart Boston enroute Andrews
6:30 Dinner with White House fellows - Mess

Indistinct document retyped by
House Judiciary Committee staff

DR

FRIDAY, MARCH 19, 1971

8:00 JRM office
 8:30-11:00 President
 12:00 John Osborn (New Republic)
 2:00 Sec. Volpe, Shultz, Magruder, McInerogon, Timmons (NST)
 3:00 George Shultz
 4:00 Sec. Hardin, Whitaker, Cashen, Shultz, Cook, Rice
 (Milk Price Support)
 7:00 Car at west basement
 7:15 Depart for Williamsburg from Pentagon helipad
 (with Lundquist)

MONDAY, MARCH 22, 1971

7:45 Car at west basement
 8:00-10:15 Breakfast meeting at HUD - Romney's office (Romney, Volpe, Hardin, Stans, Blount, Burns, McCracken, Deming)
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 (Milk Price Support)
 5:50 Colson
 7:30 White House dinner - Etherington - Voluntary Center

WEDNESDAY, MARCH 24, 1971

8:00 JRM office
 10:45 Frank van der Linden
 11:45 Barber
 12:15 Depart White House
 1:00 Depart Andrews to Boston
 2:00-4:00 Christian Science Monitor editorial board
 4:00 Depart Boston to meet Andrews
 6:00 Depart with Andrews to the Fellowship House

DR

(11)

30.2 WHITE HOUSE RECORD OF GEORGE SHULTZ CONTACTS
WITH THE PRESIDENT, MARCH 23, 1971

SHULTZ, George P. Dir., Office of Mngmnt, Budget

2/22/71	Mtg/Group	OvalOfce
2/22	Mtg/ 2 staff	OvalOfce
2/22	Mtg/Group	OvalOfce
2/23	Mtg/Group	OvalOfce
2/24	Mtg/Black Leaders	RsvltRm
2/24	p lo nc	
3/2	Mtg	EOBOfce OvalOfce
3/5	GrpMtg (QUADRIAD)	OvalOfce
3/5	GrpMtg	EOBOfce
3/5	GrpMtg	OvalOfce
3/8	Mtg 3:00-4:00pm - w/ Richardson	EOBOfce
3/8	Mtg/FRS/OMB/CEA/TREAS/DEF.	EOBOfce

SHULTZ, George P. Dir., Office Mngmnt Budget

3/9/71	Rep Cong Ldrshp Mtg	CabRm
3/9	Mtg 11:54-12:25pm - w/ Kissinger, Halperin	OvalOfce
3/9	Mtg 5:34-6:10pm - w/ Richardson - Halperin	OvalOfce
3/10	p lo c 4:41-5:25pm	
3/11	GrpMtg	OvalOfce
3/15	r ld c 5:05-5:21pm	
3/18	p lo c 11:53 - 12:03pm	
3/18	p lo c 4:55 - 5:00pm	
3/23	Rep Ldrshp Mtg ANC	CbRm
3/23	Mtg 12:18-1:07pm - w/ Richardson	OvalOfce
3/23	Mtg 5:05-5:35 - w/ staff - 6 persons	OvalOfce
3/24	Mtg 11:23-11:37am - 5 persons - staff	OvalOfce
3/24	Mtg 5:05-5:40pm - w/ Richardson	EOBOfce
3/25	Mtg 5:05-5:53pm - w/ Richardson - Halperin	OvalOfce

C01974

* See reverse - 3/16/71 - Cab Rm - Cab Mtg ANC

SHULTZ, George P. Dir., Office Mngmnt Budget

3/26/71	Cabinet Mtg	CabRm
3/26/71	Mtg 5:54-3:04pm - w/ Richardson - Halperin	OvalOfce
3/26	Mtg 4:57-5:04pm	OvalOfce
4/7	Mtg EOB 1:51-2:15pm - w/ Richardson	
4/8	Mtg Oval Off 1:51-2:15pm - w/ Richardson	
4/9	Mtg Oval Off 1:51-2:15pm - w/ Richardson	
4/13	R lo C 5:55-5:54pm	
"	Cab Mtg Cab Rm	
4/15	Mtg Oval Off 12:01-12:04pm - w/ Halperin - OMB	
"	P lo NC - 1:00pm	
"	P lo C 7:14pm - 7:59pm	
4/17	Mtg Oval Off 1:15-2:30pm - w/ Richardson	
"	Textile Mtg Cab Rm	
4/19	Mtg Oval Off - 5:05-5:54pm - w/ Richardson	

* See reverse 4/8/71 - CTR Mtg Cab Rm

30.3 WHITE HOUSE RECORD OF CHARLES COLSON CONTACTS
WITH THE PRESIDENT, MARCH 23, 1971

COLSON, CHARLES W. Spec. Counsel to Pres.

1/6/71 p l o c
1/15 OPEN HOUR
1/20 StaffMtg FamThtre
1/25 Mtg Oval Office
1/26 ANC mtgReps SpecIntGrps Cab. Rm
1/28 ANC mtg ABC Exec. "
2/2 ANC CabMtg "
2/10 mtg OO
2/19 OPEN DOOR
2/20 mtg OO
2/22 mtg "
2/24 p l o c / p l o c / p l o c
2/25 mtg EOB Off
3/2 OPEN DOOR
3/3 p l o n c / r l o c
3/5 p l o c / p l o c
3/6 n l d c / n l d n c / n l d c

WH

001908

COLSON, CHARLES W. Spec Counsel to Pres.

3/9/71 mtg OO
3/11 Mtg "
3/12 p l d c
3/13 p l d n c / r l d n c / r l d n c / p l d c
3/14 p l d c
3/17 p l o c
3/19 mtg OO
3/20 p l d n c
3/21 p l d c
3/22 p l o n c / r l o c / p l o c / p l o c / r l o c
3/23 p l o c
3/24 mtg EOB(2)
p l o c
3/25 p l o c
3/26 p l o c / p l o c
3/27 p l d n c / r l d n c / p l d c
* *see serial*

COLSON, CHARLES W. Spec Counsel to Pres.

3/30/71 p l o n c / p l o c /
3/31 p l d n c / p l d c
4/2 p l o c
4/5 p l o c
4/7 p l o c
4/8 mtg OO
4/9 p l o c
mtg OO
4/10 p l d c
4/11 p l d n c / p l d n c / p l d c / p l o c
4/13 p l o c
4/14 p l o c / p l o c
4/16 p l o c
4/18 p l o c
4/19 mtg OO
EXCC Cncl AFL-CIO Build & Constr Trades CabRm AN

WH

31. On March 23, 1971 from 5:05 to 5:35 p.m., the President met in his Oval Office with Ehrlichman, Connally, Hardin, Whitaker, Shultz, Campbell and Rice. They discussed changing the milk price support level.

	Page
31.1 Tape recording of meeting among the President, John Ehrlichman, John Connally, Clifford Hardin, John Whitaker, George Shultz, J. Phil Campbell and Donald Rice, March 23, 1971, 5:05-5:35 p.m. and House Judiciary Committee transcript thereof.....	628
31.2 White House record of John Whitaker contacts with the President, March 23, 1971 (received from White House).	672

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

TRANSCRIPT PREPARED BY THE IMPEACHMENT INQUIRY
STAFF FOR THE HOUSE JUDICIARY COMMITTEE OF A
RECORDING OF A MEETING AMONG THE PRESIDENT AND
JOHN CONNALLY, GEORGE SHULTZ, CLIFFORD HARDIN,
JOHN EHRLICHMAN, JOHN WHITAKER, PHIL CAMPBELL
AND DONALD RICE ON MARCH 23, 1971, FROM 5:05 TO
5:35 P.M.

PRESIDENT: Hi, Phil, how are you?

CAMPBELL: Mr. President.

PRESIDENT: Sorry to keep you waiting.

CAMPBELL: That's all right.

PRESIDENT: I suggest that we sit over here everybody. More
room and, uh -- [coughing] Sit down.

UNIDENTIFIED: Yeah, this --

UNIDENTIFIED: But --

UNIDENTIFIED: Oh, that's all right.

UNIDENTIFIED: I had that Senator [unintelligible]

UNIDENTIFIED: Came in and got me nervous, uh, he --

UNIDENTIFIED: If he'll go with you, well, that's great.

UNIDENTIFIED: Very clever.

UNIDENTIFIED: Phil, uh, [unintelligible]

NOTE: The quotation marks used in this and other House Judiciary
Committee transcripts are for convenience and do not
indicate verbatim quotation by the speaker.

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

PRESIDENT: They're counting on Hubert.

UNIDENTIFIED: Concentrate on Hubert.

PRESIDENT: Hubert is supposed to have told Meany that I, uh --

SHULTZ: I don't know that you've met Don Rice, and you've obviously met --

PRESIDENT: Yes.

SHULTZ: Don Rice.

[Several voices] [Unintelligible]

RICE: How are you?

SHULTZ: I talked with Meany this afternoon about the SST.

PRESIDENT: What'd he say?

SHULTZ: He said he was all out on it. If there was anything we wanted him to do, he wanted to do it. He'd be ready to do it. They --

PRESIDENT: Well, could you ask him to, could you ask him, could you phone him back after this meeting and ask him to call Hubert Humphrey, with the understanding he, uh --

SHULTZ: Yeah.

PRESIDENT: Hubert Humphrey has told everybody that he was going to be for it. And he understood -- only because Meany was for it.

SHULTZ: That's right.

PRESIDENT: Because Labor was for it. And, now that we understand he's wavering in it, he's breaking. And that Hubert Humphrey's vote may make the difference.

SHULTZ: All right. I'll call him. He said he -- he had been calling me and that he had quite a few disappointments, he said. But, anyway, I think we're working on it and we will continue to work on it.

PRESIDENT: And he, however, is apparently not doing much.

SHULTZ: That's right.

PRESIDENT: Uh, uh, uh, tell him we ought to review this, this situation. [Unintelligible]. Now, uh, John, would you express your views, uh, to us all -- you expressed them to me this morning. [Coughs] I had a [unintelligible] you fellows heard their story today.

EHRLICHMAN: It's dead. It's --

*31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.*

CONNALLY: Well, Mr. President, I don't -- I understand you did meet with 'em -- But I don't want to try to go back over the economics of it, uh, I'm not --

PRESIDENT: How about the politics? Can you --

CONNALLY: Uh, I'm not trying to talk about it or discuss at any great length the, the economics of it, but as far as the politics are concerned -- looking to 1972, it, uh, it appears very clear to me that you're going to have to move, uh, strong in the Midwest. You're going to have to be strong in rural America, uh, and particularly that part of the country. Now, there are a lot of things that you can't do, uh, with respect to farmers. They're almost, uh, beyond help at this point. Uh, they feel like they are. They don't feel like anybody's trying to help them. Uh, every time they turn around, they hear somebody talking about, wanting to increase imports on beef from Australia to, to -- in behalf of the consumer. Hog prices are down what, uh, fif--seventeen dollars --

HARDIN: [Unintelligible] dollars from twenty-nine.

CONNALLY: They were, they were twenty-nine a year ago.

UNIDENTIFIED: It's because they grew so many.

CONNALLY: Well, we had, there's, there's lots of problems and they're responsible for a lot of them. Fortunately,

beef prices have held up fairly well but, uh, grain is an insoluble problem so far as I can tell. Uh, it, it, it -- working with it for years, so I, I just don't know many areas that you can do many things -- that's the net of what I'm saying -- to help, uh, the farmers uh, and the dairy people now. These dairymen are organized; they're adamant; they're militant. This particular group, AMPI, which is the American Milk Producers Institute or something, uh, represents about forty thousand people. The one that parallels them on the East, uh, Mid-Con, or something --

HARDIN: Mid-American.

CONNALLY: Mid-American group represents about forty thousand. The Southeastern group, uh, Dairymen Incorporated, whatever their name is, represents a lesser number, but probably in the range of twenty thousand members. They, uh, very frankly, they tap these fellows -- I believe it's one-third of one percent of their total sales or ninety-nine dollars a year whichever is --

PRESIDENT: Like a union.

CONNALLY: Oh, it's a check-off. No question about it. And they're meeting, and they're having meetings. They have them a Sabine airplane, and they just travel from one part of

the country to another part of the country to get these fellows in and they sign them up and it's a pure check-off deal. And they, they're amassing an enormous amount of money that they're going to put into political activities, very frankly. And, uh, uh, I think, the purpose -- I think they've got, uh, a legitimate cause. I wouldn't, I wouldn't recommend that you do, you ta--, do that if it didn't have any merit to it. They're asking for, for an increase in the cost, uh, in the price of a hundred-weight up to four --, 492. They originally started out at 505. And, uh, uh, I am sure that these fellows can all argue more convincingly than I can that on the basis of the merits, they ought not to get it, or that milk production will go up or something else, but the truth of the matter is, the price of milk is now pegged at 492. You're not going to raise the price of milk. Uh, they're supporting the price of milk themselves with their own money by buying cheese. Right today. Now, if they, if you don't support the price, let them support it at 492, they're going to have to drop it because their, their resources are not such that, that they can continue to pay the difference between, what, 466 and the, and the 492. So they'll drop the price.

HARDIN:

Now they're, they're in trouble. They've already spent more money than they have, and they're going to drop the

price of milk about fifty cents a hundred, on, uh,
April one. [Unintelligible] lost to the Treasury. This
is why the deficit --

UNIDENTIFIED: They're not, they aren't simply involved with low
resources.

CONNALLY: They, they may well have. Now, there's some talk that,
uh, that if the management of it's in trouble and so
forth -- I don't believe it, I don't believe it.

UNIDENTIFIED: I'll, I'll --

CONNALLY: They just raised to pay twenty thousand dollars for a meet-
ing in Brownsville not too long ago. And this means
they've got security. And, uh, they're doing some things
that I think are a little strong-armed tactics, perhaps,
in, uh, the organizing, uh. But, uh, I don't criticize
that unless we are prepared to take on business and
labor and all at the same time. There's no point in
denying the farmer what's the practice for the laborer.
And, uh, so I'm not, I wouldn't judge it on a moral basis.
I judge it on the basis of, uh --

HARDIN: You've heard all the rest of it --

CONNALLY: I'm addressing myself to the narrow aspects, to the
political aspects of it. I don't think there's a
better organization in the United States. If you can
get it, uh, if you can get more help for 'em, that, uh,

will be, uh, be more loyal to you. And, uh, and I think they've got a worthy case to begin with. And, uh, that being true, I just think you ought to stretch the point. I wouldn't wait till next year, so that -- I know that there's been some advice given to you, to wait till next year. Uh, that's -- I will differ with that, simply because they're going to make their association and their alliances this year and they're going to spend a lot of money this year in various Congressional and Senatorial races all over this United States. And, you don't want to be in a position -- as you well know better than I -- you got no questions when people think [unintelligible] you're doing something for them. And they're not lined up in position. If, if you do something for them this year, they think you've done it because they got a good case and because you're their friend. If you wait till next year, I don't care what you do for them. They're going to say, "Well, we put enough pressure on them this election year, they had to do it." And you, you get no credit for it. So it's still going to cost you an enormous amount of money next year, and you get no political advantage out of it. And, I just think that, uh, that unless you just, uh -- the economics of it are just beyond reach, or beyond question that, uh, if you ought to really seriously think about doing it this year.

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

PRESIDENT: That's the problem. I have two problems -- is
that you have it in the House and the Senate.

CONNALLY: What you are going to do on that?

UNIDENTIFIED: [Unintelligible]

PRESIDENT: What I mean is, that if you don't do it, they're
going to do it anyway.

CONNALLY: I think if you don't do it

PRESIDENT: If they do, --

CONNALLY: they're going to pass it.

PRESIDENT: I think they do.

HARDIN: I think it's --

PRESIDENT: We have a damn near insoluble problem.

HARDIN: I think it's, as it stands today, it's almost certain
to pass.

CONNALLY: Uh, I think that's right.

EHRLICHMAN: Is that what Belcher told you?

**31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.**

HARDIN: Yes, yes, I think they got a hundred and fifty
names on the bill.

UNIDENTIFIED: You sure?

HARDIN: And, uh,

UNIDENTIFIED: What is it?

HARDIN: and, uh, the Speaker's all out for it.

CONNALLY: Absolutely. Wilbur's all out for it.

UNIDENTIFIED: Yeah.

CONNALLY: Well, they're going to pass it through the House.
Beyond any question in the world.

HARDIN: And, uh, and, uh, they'll pull the liberals on this one,
uh, because they're, they'll say they're going to
embarrass the President.

PRESIDENT: That's right.

HARDIN: Uh, the liberals might attract the consumers in any
other situation. But they won't do it now.

PRESIDENT: That'll raise the price, you see. I mean, that's the
way they'll cut the liberals off. They'll say: No,

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

they're going to -- we guarantee, we won't -- like they told us this morning, we won't raise the price; we'll cut back on production -- we'll have a voluntary --

HARDIN: Uh, I spoke, I spoke a little bit with them this morning, uh, but I just don't quite know --

UNIDENTIFIED: [Unintelligible]

CONNALLY: Now they've already figured out and how -- They're circulating -- I've had it for days -- they're circulating how they're going to cut you up this year. And that's what they're going to do. They got it all figured out. They're passing this out on the Hill, just exactly how many electoral votes they're going to cost you if you veto the 85% bill -- which they think they're going to pass. And I think they're going to pass it. And they say that it'll cost you Missouri, Wisconsin, South Dakota for sure. Veto will probably cost you Ohio, Kentucky and Iowa. And, then they go on down and they take the states and they figure what percentage of the states it's going to cost you and they're going to [unintelligible]

HARDIN: Well, if it does pass, I don't think the President has any choice but to sign it.

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

PRESIDENT: Well, all right.

CONNALLY: Well, then, what do you do? If you do, you've cost yourself the money -- you've lost your political advantage. You, you're, you're infinitely worse off.

PRESIDENT: Probably.

CONNALLY: That's where you are.

HARDIN: I think so.

PRESIDENT: What's the cost?

HARDIN: Oh, it's just a wild guess. They said thirty-five million and I would suggest that it's, uh, nearer a hundred.

PRESIDENT: You would?

HARDIN: Now if they could get, if they need to -- we had a little talk after you left and

UNIDENTIFIED: Right.

HARDIN: uh, about whether they really could influence production. And they could, if they went all out to do it. And what they would do, a year from now, would be end up with a hundred and twenty million -- billion pounds

of milk produced. Uh, they'd be a mature enough organization that they could, uh, recognize that they had made a mistake and could go out and tell their members they had to survive. Uh, well, they're -- maybe we won't talk about that. Uh, it's a fact of life. Uh--

PRESIDENT: Uh, it seems to me that the problem we have, Cliff, is this. That, uh, and as you know we have decided on a different course of action in the cheese business and all the other --

HARDIN: Well that has to be done. That has, has to be done anyhow.

PRESIDENT: Oh, what I mean isn't that what we decided that, and that was all we could do.

UNIDENTIFIED: Yeah.

SHULTZ: The higher you raise the price, the more certain it is that you have to be strict about the imports. Otherwise, all we're doing is paying the money to the foreigners.

UNIDENTIFIED: Yeah.

SHULTZ: You have to admit in connection with our business.

UNIDENTIFIED: Yeah.

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

PRESIDENT: Uh, I see your --

SHULTZ: See that high price here throughout the --

PRESIDENT: Uh, uh --

[Several Voices] [Unintelligible]

UNIDENTIFIED: Yeah. Uh.

UNIDENTIFIED: [Unintelligible]

PRESIDENT: the high interest rates.

UNIDENTIFIED: That's right.

UNIDENTIFIED: [Unintelligible]. Yeah.

PRESIDENT: Well, it's one of those things where with all you experts sitting around where you have to make a political judgment. My political judgment is that the Congress is going to pass it. I could not veto it. Not because they're milkers, but because they're farmers. And it would be just turning down the whole damn middle America. Uh, where, uh, we, uh, where we, uh, need support. And under the circumstances, I think the best thing to do is to just, uh, relax and enjoy it.

UNIDENTIFIED: The legal --

CONNALLY: Mr. President, trade for both years, if you do it. Trade for this year and next year, if you possibly can.

*31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
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PRESIDENT: With these people?

CONNALLY: Yes , -sir.

PRESIDENT: Well,

CONNALLY: Yes , sir.

PRESIDENT: can that be done? I, uh, that's what I, uh --

CONNALLY: Yes , sir.

PRESIDENT: That would be great.

CONNALLY: Yes , sir.

EHRLICHMAN: If you could make a deal for the two years --

CONNALLY: Yes , sir. It can be done.

HARDIN: They will do that.

UNIDENTIFIED: You bet.

CONNALLY: Won't they Phil?

CAMPBELL: Yes.

UNIDENTIFIED: Yeah, I would --

UNIDENTIFIED: Well, I would say the price is stable.

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PRESIDENT: Yes, that's correct.

UNIDENTIFIED: Yeah.

HARDIN: The other thing Mr. President, so they're not asking

UNIDENTIFIED: And, uh

HARDIN: that, uh, on grounds that it would be just hard to answer. These fellows have a tendency to say, "Well, now look, uh, look at the construction industry. Look at Labor. Uh, and then why be so chintzy with us? Uh, all, all evidence is our costs keep rising, and that we're under the freeze, and, uh, you take it out on us not, not the people who are really causing the problem." And, this is hard to answer. Uh, when it's a challenge put that way --

CAMPBELL: Well I think we can settle for a --

UNIDENTIFIED: We've got this other consid-

PRESIDENT: All right, make the best deal you can.

UNIDENTIFIED: Yeah.

PRESIDENT: Do it for two years and, uh, we, uh, we, uh, we know that, uh, and as I say, I appreciate the, the very fine

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judgment to the contrary which, which you can't do as,
uh --

HARDIN: Now, we must do one other thing, uh --

UNIDENTIFIED: [Unintelligible]

PRESIDENT: Let's let them know what we're doing. That, uh --

EHRLICHMAN: Let's get credit.

UNIDENTIFIED: Oh God, if we're going to do this --

CONNALLY: Mr. President --

PRESIDENT: Let's

CONNALLY: Please, may I interject a suggestion?

PRESIDENT: Uh, uh --

UNIDENTIFIED: [Sighs]

CONNALLY: Uh --

PRESIDENT: Anything you like.

CONNALLY: Well, let's don't, let's don't trade the, uh, uh,
through Agriculture, uh, on the merits

PRESIDENT: Yeah.

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CONNALLY: until, uh, some other conversations are had.

PRESIDENT: Yeah. Yeah.

CONNALLY: Uh --

HARDIN: [Unintelligible] we've got a little work to do. We've
got to let Page, that, uh --

UNIDENTIFIED: What?

HARDIN: I mean -- Bob Dole.

CONNALLY: All I'm saying is you--

EHRLICHMAN: No. Later, because they're --

CONNALLY: you're in this thing for everything, you, you can get
out of it. [Unintelligible]

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: Yeah.

EHRLICHMAN: You either hold your position now till you get the
green light, couldn't you?

CONNALLY: Oh, sure.

PRESIDENT: What?

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EHRLICHMAN: Yeah, as I say, that Agriculture doesn't need to
do anything right away.

UNIDENTIFIED: He --

PRESIDENT: You, you're now thinking of the political offer?

EHRLICHMAN: In a day or so.

[Several
voices]: [Unintelligible]

SHULTZ: The sooner you do it, the better off you're going
to be, aren't you?

HARDIN: Uh, yeah. Possibly, uh -- Page,

SHULTZ: In a day or so.

HARDIN: now, Page knows Dole. I wish he hadn't done it quite
this way, but one of his little talks to the Speaker,
and Wilbur -- He got them to agree to hold the bill
until he could talk to the White House.

PRESIDENT: Well --

CONNALLY: He, he could make, Mr. President, I suggest to you
that somebody make a little capital with the Speaker
and with Wilbur. That you'll do this. And somebody

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can do it. Now, they'll, they'll say, well, you, you
know, they'll say, well, "You did it because

PRESIDENT: Yeah.

CONNALLY: we've introduced a bill."

PRESIDENT: All right.

CONNALLY: But I know somebody down here can make a little time
with them. How much, how much I don't know. But it's
worth trying, obviously, because they're both extremely
interested in it.

EHRLICHMAN: Phil, move over there, would you. We'd like to get the
picture of some of the House groups that are [unintelligible].
All together now.

HARDIN: Wilbur, uh --

UNIDENTIFIED: Shouldn't happen [unintelligible]

SHULTZ: As an aside on this: Wilbur passed the message to me
via Bill Gifford to thank you very much. Apparently
his family was --

UNIDENTIFIED: Yeah, he got around to the White House.

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SHULTZ: And, uh, he spoke with -- and the grand --, and he said the grandchildren loved it. Wilbur says it's the nicest thing that's happened to him in years.

PRESIDENT: Hah.

SHULTZ: And I just wanted you to know [unintelligible] he apprecia--, he really had a very pleasant evening.

CONNALLY: Let me tell you how important I think it is to Wilbur. Now I don't -- I can't vouch for this. I haven't pursued it. I haven't followed it up. I don't want to. But, I was told that you could almost name your price with Wilbur short of all-out support of revenue sharing if you did it.

EHRLICHMAN: You know him?

CONNALLY: Yes, sir.

CAMPBELL: You that close to him?

CONNALLY: That's correct.

CAMPBELL: And he knows this bill intimately.

CONNALLY: That's correct.

CAMPBELL: And he can explain it to you better than the dairymen.

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CONNALLY: That's correct.

PRESIDENT: Yeah. Yeah.

CONNALLY: He sure can.

PRESIDENT: I noticed they had a strong man from Arkansas in there, didn't they?

EHRLICHMAN: Well, uh, let me ask this. Uh, who's the guy that told? Uh --

PRESIDENT: What my point is: This is something where I would not have it done by you, Cliff, in Agriculture. Let's have it done in a way by somebody who has to get something out of it. Uh, like George. You see my point?

HARDIN: Uh hm. Sure.

PRESIDENT: On Wilbur.

HARDIN: Sure.

PRESIDENT: How would that be? Does that sound all right to you, John? Or should you tell him?

CONNALLY: No. I think somebody other than me, sir.

PRESIDENT: Yeah.

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CONNALLY: I think George, or

PRESIDENT: Yeah.

CONNALLY: whoever --

PRESIDENT: You see my point?

SHULTZ: Yeah, maybe John and I.

PRESIDENT: Maybe John Ehrlichman and George.

CONNALLY: And don't overlook the Speaker, Mr. President.

PRESIDENT: And do the same with the Speaker. But, I mean the point is, when you do something for these fellows, remember, don't just let them think that we're doing it for, uh, turning our back on policy. Get a picture to them.

UNIDENTIFIED: True. Right.

UNIDENTIFIED: [Unintelligible]

PRESIDENT: You have that point, now.

UNIDENTIFIED: Yes, sir.

PRESIDENT: Fine.

CONNALLY: I could maybe suggest a better way. If you tie it in

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uh, keep in mind that Wilbur called me twice about
this.

PRESIDENT: Uh huh.

CONNALLY: And I think Jerry called him about this.

HARDIN: Did he call you about it?

CONNALLY: The Speaker called me, which is very unusual, and he
just normally doesn't do that.

UNIDENTIFIED: Well, that's fine Dick, both talked to you about it.

PRESIDENT: All right. Fine. Well, all right.

EHRLICHMAN: There is --

PRESIDENT: I think that, I think that, I think what our play
should be here is basically, uh, uh, I think maybe it's,
uh, George and John -- What do you think? John Ehrlichman.

EHRLICHMAN: I think that would be great.

PRESIDENT: They, they're going to have to deal with them on
revenue sharing and all these other programs. And,
and you, uh, pass the word to -- you of course
handle all the -- Page and all that.

UNIDENTIFIED: Heh, heh.

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UNIDENTIFIED: If you give them cookies they, they'll love it.

HARDIN: Now look there, there are a few of those, fellows --
Let's take them home with us.

[Several
voices]: Oh, yeah.

HARDIN: There are only a few. And, uh, I think we got to
give them a chance to holler back.

EHRLICHMAN: I'll agree.

UNIDENTIFIED: Now -- I'll agree.

PRESIDENT: That's right. That's right.

HARDIN: We may need them again.

PRESIDENT: Yes, sir. They've been wonderful.

UNIDENTIFIED: Wonderful.

HARDIN: We're going to let you time the [unintelligible]
and see what we can [unintelligible]

UNIDENTIFIED: We may need some hands.

UNIDENTIFIED: [Unintelligible]

PRESIDENT: What would you like to do with the timing, Cliff? I
mean -- What are you suggesting?

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HARDIN: Well, I think it depends on George. Uh, you know,
uh, uh, we've got to accommodate -- I think we ought
to go this week.

PRESIDENT: Good, I think the sooner the better,

HARDIN: And, uh --

PRESIDENT: because, uh, let's don't have, let's don't do it
under pressure.

HARDIN: And, uh, uh, uh, I think that if you can get Wilbur
and, uh, uh, the Speaker quickly,

UNIDENTIFIED: Yeah.

HARDIN: uh, then, uh, uh, you get a hold of Page and these
other fellows, uh, also, but, as soon as they know
what we are thinking about, uh, it will leak out
pretty fast.

SHULTZ: Well, I don't think that there's any problems about
the thing and, uh --

PRESIDENT: But be sure you get to Page Belcher.

UNIDENTIFIED: [Unintelligible]

PRESIDENT: He could get Wilbur.

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UNIDENTIFIED: But you're going to have to [unintelligible]

UNIDENTIFIED: Yeah.

UNIDENTIFIED: [Unintelligible]

SHULTZ: If you wanted to, you could do it. At the same time,
of course, you get different people doing it so they
don't get crossed up.

UNIDENTIFIED: All right.

CAMPBELL: It, it, it -- it's going to have to almost be done
simultaneously because just as soon as they've talked,
it's so important, everybody is going to know it. The
first one that knows is going to get on the phone and
call the dairymen,

UNIDENTIFIED: You, uh --

CAMPBELL: and soon as one of the dairymen knows, all of them will.

PRESIDENT: I'll say.

SHULTZ: Uh, but aren't you and somebody going to want to talk
to the dairymen about it so you can set up a

EHRLICHMAN: Make a two year deal.

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UNIDENTIFIED: A two year deal.

SHULTZ: two year deal.

PRESIDENT: I think first you have got to -- Well, then and
they're going to know -- They're, they're --

CAMPBELL: But no, Mr. President, you could ask, you could ask if
we're able to do anything would you be satisfied to
leave this alone next year. They'll come back promptly --
and you'll get a way out if you do. They'll never,
never listen to the Secretary. We've found that --

UNIDENTIFIED: Um huh.

CAMPBELL: But I can tell you --

UNIDENTIFIED: [Unintelligible]

UNIDENTIFIED: [Unintelligible]

CONNALLY: May I suggest?

UNIDENTIFIED: And I know --

CAMPBELL: I suggest just as quick I can get them on the telephone.

PRESIDENT: All right.

CONNALLY: May I also suggest --

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PRESIDENT: Make sure you got the deal to present to me. And, uh --

UNIDENTIFIED: [Unintelligible]

CAMPBELL: No. I'm not notifying them anyway.

PRESIDENT: No, no, no, no, no. [Unintelligible]

EHRLICHMAN: His idea is that he'll say, "Look we were able to do this. Will you pledge this." See?

PRESIDENT: Uh huh.

CAMPBELL: No, no problem.

EHRLICHMAN: Still hypothetical.

PRESIDENT: Yeah, yeah. Then that way the decision is still open. And then, boom.

CONNALLY: And you can pretty well seal this, John and George, uh, when you talk to Wilbur and the Speaker. The two year aspect.

UNIDENTIFIED: You handle it.

CONNALLY: You should hear that out and we'll talk about it.

WHITAKER: I just want to raise one point. The thing that got that started is the concern of over-production. If you don't think down the line with me it will be more

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trouble in the end.

CAMPBELL: This -- if, if we do it'll be two years off and not
next year.

UNIDENTIFIED: That's it.

PRESIDENT: And John, what other problems does that involve? Uh,
uh [unintelligible]

[Several
voices]: [Unintelligible]

HARDIN: [Unintelligible] you may have over-production next
year. And we may blame it on this. But it will be
for other reasons.

PRESIDENT: Yeah.

EHRLICHMAN: Actually it takes more -- takes longer than that.

PRESIDENT: There's one thing about this, it's one thing about
this industry that is, uh, quite interesting. It's
that, uh, it's, uh, it's a big business. From the
standpoint -- you know, they go into this business,
you know, and people say -- It -- As a matter of
fact, I get the impression, Cliff, and I'm not too
much of an expert on the farmer, but I get the

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impression that -- For example, with regard, uh,
uh, regarding, regarding the price of hogs.
People who go into that business, from what I
gather -- it's pretty easy, isn't it?

HARDIN: Changing the par--, went for parity?

PRESIDENT: The dairy business, on the other hand, requires an
enormous net invest--, investment. You know, you
can raise more pigs, right?

HARDIN: Yes. And the, and the times get --

PRESIDENT: Fast. Fast. And that's why the pig, po--, the
corn-hog ratio, uh -- that business goes up and down
almost like an escalator, doesn't it?

UNIDENTIFIED: Right.

CONNALLY: Mr. President, two litters per year and the average
now is running better than seven pigs per litter,
isn't it?

CAMPBELL: Mr. President, there has been some studies run on this
and the cost is approximately, it approaches two thou-
sand dollars per cow. So you just multiply fifty cows,
a hundred cows, a hundred-fifty cows by two, two
thousand dollars. You've got a pretty good investment.

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PRESIDENT: Well, you have an enormous -- so somebody is going
to go into that business.

UNIDENTIFIED: Yeah.

PRESIDENT: I mean, uh, there are added things; it's, it's a
big, uh --

CAMPBELL: Big chunk of cash. Can't go less than fifty cows,

PRESIDENT: I know. Yeah.

CAMPBELL: seventy or eighty.

PRESIDENT: Yeah. Yeah.

HARDIN: But, uh, we had, what, a million dairy farmers, uh,
ten years ago and down four hundred thousand from
what you were.

SHULTZ: We have a, uh, we have a problem to, to, uh, think
about here on the antitrust side of this thing. Or,
uh, they're going to wind up in trouble.

HARDIN: Yes, they may have --

SHULTZ: If they try to control production,

HARDIN: Yeah, they, they

SHULTZ: they're over -- they're, very eager.

UNIDENTIFIED: [Unintelligible]

HARDIN: may have already done it. But, uh, uh --

CONNALLY: The significant thing is they have legal counsel and
they're following their advice.

HARDIN: Well --

PRESIDENT: Good.

SHULTZ: They do have a good legal counsel.

EHRLICHMAN: They have a good one.

PRESIDENT: They've got them all over the country.

CONNALLY: Uh, there are many folks [unintelligible] but I don't
know Cliff what you're talking about.

HARDIN: Uh, well, they're, they're sure, they're sure awfully
close to the line. They are not the first
group in the economy, that's done that.

UNIDENTIFIED: Oh, I'll say. [Laughing]

PRESIDENT: Well, we won't prosecute the farmers.

HARDIN: Could I bring up just one other thing?

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PRESIDENT: Sure.

HARDIN: It's a somewhat related subject, Mr. President.

PRESIDENT: Sure.

HARDIN: It doesn't have anything to do with this matter; but,
uh, --

PRESIDENT: Britain?

HARDIN: No.

PRESIDENT: No.

HARDIN: Uh? Meat , meat imports. Uh --

PRESIDENT: Oh, that. . I thought we decided that.

HARDIN: We did.

PRESIDENT: We are going to import aren't we?

HARDIN: Uh, a little, uh, as little as possible. But Mr.
Houthaker called me yester-- He's convening a meeting
now, and, uh, he thinks we ought to force the price
of beef down. And let in more imports. And he's,
he wants a interdepartmental meeting. I think
it's next Tue-- Monday or Tuesday. And this is just
going to, uh, raise havoc with the cattlemen all over

again. When we just got them all quieted down.
They've all written articles; they're just bleeding
about what the President did.

PRESIDENT: What would I do, if, if -- and didn't -- I imported
not too much, and meanwhile hold that middle,
middle options?

HARDIN: Yes. And, uh, they're, and uh, so I called Ed and
I said, "Now, I want to see you bleed in your publi-
cations. I want you to post all the -- and support
the President." He went all out with me on this.
"Well," he said, "we [unintelligible] just a little."
And I said, "If I see one word [unintelligible] not
one damned one of you is ever going to get in my
office again. Do I make myself clear?" And they did
say it in their publications. They did go all out.

PRESIDENT: Um huh.

HARDIN: Uh, so, uh, uh, to open this up again now, it just
would be terrible. There's no -- In fact it'll change a
bit. It's just a -- George, can you, can you collar
that guy? And, uh

SHULTZ: No, I, I --

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HARDIN: He's, he's the one that's given the Nixon Administration
the reputation for being for low farm prices. He just
-- Every once in a while he comes out with something.

PRESIDENT: Sure never gets reflected in the CPI. Except, uh --

HARDIN: No.

PRESIDENT: Not this last month.

UNIDENTIFIED: Oh.

PRESIDENT: It was for six months before that, though.

UNIDENTIFIED: Oh.

PRESIDENT: So we've got to get credit for that.

SHULTZ: The last few months the wholesale price index has
skyrocketed.

PRESIDENT: Yeah. That's what I mean -- food.

SHULTZ: Well, and the Consumer Price Index would have actually
been, uh, left no change, if it hadn't been for the
big increase in food prices,

PRESIDENT: Yeah.

SHULTZ: and I'm saying that that -- Food is going to follow
wholesale prices. Business. But, uh, the meat, the

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meat area is going to be a problem for us. If we're going to get into that, uh --

HARDIN: Well, from the consumer's side, it'll be great; it'll be, uh --

PRESIDENT: You, you --

HARDIN: You've got to get them [unintelligible]. But the poor customer then [unintelligible]

SHULTZ: Uh, uh, the, I think the --

UNIDENTIFIED: [Unintelligible]

SHULTZ: Well, I understand we're heading into some real problems there, but I --

PRESIDENT: You mean --

SHULTZ: not that I've studied it, yes.

CONNALLY: Yeah. Go on.

PRESIDENT: I would too.

SHULTZ: Yeah, of course, we're going to import less than we did last year.

HARDIN: Possibly.

SHULTZ: Profit rising.

UNIDENTIFIED: Yeah.

HARDIN: But, I think I'll probably import within ten million pounds of this thing. Isn't that something?

SHULTZ: But all, all of these things. It's just that, uh, it's the same, it's the same thing when we discuss steel imports or, uh, bunch of these other things -- shoes or what have you, and meat. And on the one hand, there is the, the groups that is pushing it; on the other hand there's the consumer. It, uh -- as much as --

HARDIN: Everybody have one of these dairy departmental committees studying something you can favor.

SHULTZ: Well that's, well, Houthaker is particularly good at getting it, uh --

HARDIN: Yes.

SHULTZ: [Laughter] These and, uh, I agree with making a speech or something.

HARDIN: I don't care if you study it if you can keep the trash out. But, uh, if he passes us by, okay.

PRESIDENT: Let's have nothing said about it. Is that fair enough? That is if we're going to have to do it.

SHULTZ: He has to call up and put his hand on that.

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PRESIDENT: Will you tell him all about the increase?

SHULTZ: Study it and, uh, follow up on that.

HARDIN: You can't, you can't convene an interdepartmental committee in this government and not -- and then keep it out of the papers.

EHRLICHMAN: Oh, sure you can.

UNIDENTIFIED: Um?

EHRLICHMAN: Sure you can. Yeah. Threaten them a lot.

[Laughter]

PRESIDENT: The cattlemen have been pretty good friends for us, too.

CONNALLY: Well, cattle prices are down. How much are they down uh, in the past

UNIDENTIFIED: Not too much.

CONNALLY: few months?

HARDIN: They're going back up again, John, a little bit.

UNIDENTIFIED: But, uh --

HARDIN: There are not so high, and so forth.

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CONNALLY: No, they're not their highest.

SHULTZ: Same statement.

HARDIN: There is kind of --

CONNALLY: Oh, if they're falling some, George, my [unintelligible]
two or three [unintelligible] do a study Agriculture
[unintelligible] study [unintelligible]

[Several
Voices]: [Unintelligible]

CONNALLY: Um hm, cattle prices. It'll shock you. And just
remember when you talk about food prices, now, and,
and bleed for the consumer, that today, food prices
in the United States are cheaper than they've ever been
in the history of this nation. In terms of what it
takes for, well, uh, hours of work to feed a family.
Sixteen percent. That's the lowest in the history of
the world. And --

SHULTZ: So that --

UNIDENTIFIED: He's my favorite secretary [unintelligible]

[Laughter]

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[Several
Voices]:

[Unintelligible]

SHULTZ: You might study the [unintelligible] crisis awhile.

[Unintelligible] of all the things that --

UNIDENTIFIED: Where are they?

UNIDENTIFIED: [Unintelligible]

PRESIDENT: Well, we'll try to keep the cattlemen from getting on
our necks for the moment.

RICE: We've got a, one loose end left on the, uh,

PRESIDENT: Yeah.

RICE: the rate,

PRESIDENT: Uh huh.

RICE: and it seems to be one other thing we are going to
have to do is coordinate the timing of the announcement
-- which we have to make, uh, very closely with these
contacts. And --

EHRLICHMAN: Yeah. Well, right after this --

RICE: However, there is someone to contact that doesn't--

EHRLICHMAN: We'll coordinate that, Don. Uh, I think we'll have to
get the group together. Uh, we'll have to get Colson and

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

Bob Dole in this, too. And, uh, so --

PRESIDENT: Well, because Colson dealing with the, uh -- Well, in any event, I think you got a good game plan. You, you'd, uh, you know what to commit your, your friends and our friends and so on. For political reasons you do, uh, Mr. Mills and Mr., uh, [sigh] Albert. And then, uh, I, uh, I understand Phil will get the dairy people and make the -- and say, "All right, you don't bug us next year."

UNIDENTIFIED: That's right.

CAMPBELL: And you are going to do the same thing, George, with the Speaker.

SHULTZ: Yeah.

PRESIDENT: All right.

SHULTZ: What we're going to, is --

UNIDENTIFIED: We're going to pressure this thing.

SHULTZ: eighty-five percent of parity.

UNIDENTIFIED: Pardon?

UNIDENTIFIED: Is that right?

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

PRESIDENT: It's eighty-five.

SHULTZ: We're not suddenly going for 505, and I would guess
498.

CONNALLY: No, we're going for 492.

SHULTZ: 492. [Unintelligible] decided the amount was right.

PRESIDENT: Fair enough.

UNIDENTIFIED: All right.

EHRLICHMAN: Better go get a glass of milk.

[Laughter]

EHRLICHMAN: Drink it while it's cheap.

UNIDENTIFIED: But you know --

UNIDENTIFIED: That's really --

UNIDENTIFIED: [Unintelligible] might work.

PRESIDENT: [Unintelligible] Yeah, I told them. I said, milk is
a sedative. Milk is a sedative.

HARDIN: Say, I told the President this morning that on that
T.V. show last night -- Uh, uh, that, that few times
when he looked right into the lens --

31.1 TRANSCRIPT OF MEETING AMONG THE PRESIDENT, EHRLICHMAN,
CONNALLY, HARDIN, WHITAKER, SHULTZ, CAMPBELL AND RICE,
MARCH 23, 1971, 5:05-5:35 P.M.

UNIDENTIFIED: Great.

HARDIN: Uh, that went just magnificent.

CONNALLY: May I have, may I have two minutes with you on
another matter?

PRESIDENT: Sure, sure, sure. Sit down.

31.2 WHITE RECORD OF JOHN WHITAKER CONTACTS
WITH THE PRESIDENT, MARCH 23, 1971

WHITAKER, John C. Depty Asst. Secy to the Cabinet
11/6/70 Mtg. Cncl Env. Quality
11/6 Staff Mtg/Tricia Nixon CabRm
11/13 p l o c 12:33 - 12:34
11/23 Mtg/Natl Assoc of Counties CabRm
11/30 Mtg 11:06 - 11:29 W/Hardline Oval Ofce
11/30 Signing Crmny/Agric. Act of 1970 CabRm
12/17 White House - AgriResearchCntr, Md. hlcptr
12/17 AgriResearchCntr, Md-White House hlcptr
12/23 Mtg/Penna Ave Cmte OvalOfce
1/20/71 Staff Mtg Theatre
1/23 Deptmntl Agency Cong Rltns Mtg RsvltRm
2/19/ Mtg/Group OvalOfce

001933

WHITAKER, John C. Deputy Asst. Secy to the Cabinet
2/20/71 Mtg w/family OvalOfce
2/25 Mtg 4:07 - 4:34, Waggoner, Rich Corbin OvalOfce & others
3/1 White House - Andrews AFB hlcptr
3/1 Andrews AFB - Des Moines, Iowa AF-1
3/23 Mtg 5:05 - 5:35, Connolly, Richardson, OvalOfce
4/13 Cab Mtg Cab Rm
4/21 Mtg 3:14 - 3:40, EOB Smith, McBracken - Kriegsmann - F. Langman
4/26 Mtg 4:13 - 4:57 Oval Off Finkbein - Colson - Roger F. Manning & others
4/27 Mtg 3:31 - 4:15, EOB - K. Morton
" Swrng-in Crmny James Fletcher (NASA) Oval O.
5/6 mtg oval off 10:05 - 10:15 - Hardline - (ANC)
5/7 Seng Telephone Bank Bill Cab Rm
5/11/ * Desalting briefing cab rm

* See reverse

WHITAKER, JOHN C. Dep Ass't
5/19/71 Southwest Drought Mtg Oval Off
5/28 Mtg Oval Off 11:04 - 11:17 - Louis F. Brown & Line.
6/5 White House - Andrews AFB hlcptr
6/8 Cabinet Mtg CabRm
6/5 Andrews AFB - Tulsa, Okla. AF-1
6/5 Tulsa, Okla. - Andrews AFB AF-1
6/28 Mini-receiving line Oval Off
8/6 Mtg/Sigining Crmny Second Annual Rept Cncl on OvalOfce
Environmental Quality
8/17 WH South Grounds - Andrews AFB hlcptr
8/17 Andrews AFB - JFK Intl AP Sprt '76
8/17 JFK Intl AP - Springfield, Illinois Sprt '76

32. On March 23, 1971 from 5:35 to 5:38 p.m. the President met with Connally in the Oval Office. At 5:50 p.m. Ehrlichman met with Colson and at approximately 6:00 p.m. Colson met with AMPI lawyer Chotiner. During the afternoon or evening of March 23, 1971 Under Secretary of Agriculture Campbell had a telephone conversation with Nelson. At some time on March 23, 1971 Connally had a telephone conversation with AMPI lawyer Jacobsen.

	Page
32.1 White House record of John Connally contacts with the President, March 23, 1971 (received from White House).	674
32.2 John Ehrlichman log, March 23, 1971 (received from SSC).	675
32.3 Murray Chotiner interviews, SSC, December 7, 1973 and December 10, 1973, with accompanying affidavit submitted to the SSC.	677
32.4 Gary Hanman testimony, SSC Executive Session, May 21, 1974, 9-11.	690
32.5 J. Phil Campbell testimony, SSC Executive Session, May 31, 1974, 60, 61, 64-66.	693
32.6 John Connally log, March 23, 1971 (received from SSC).	698
32.7 Harold Nelson deposition, <u>Nader v. Butz</u> , February 7, 1973, 75 and Exhibit 75.	699

32.1 WHITE HOUSE RECORD OF JOHN CONNALLY CONTACTS
WITH THE PRESIDENT, MARCH 23, 1971

CONNALLY, JOHN B. SECRETARY OF TREASURY

3/11/71 cont. mtg *John Connally*
p lo c / p lo nc but tlk w / Mrs.

3/16 mtg *1:00*
CabMtg CabRm AME

3/18 p lo c / r lo nc / r lo c *2 minutes - 1 minute mtg*
mtg OO */ minutes*

3/20 p id nc / p ld c *1 minute*

3/22 r lo nc, RMW take / r lo c

3/23 p lo c *3 minutes*
mtg *5:05 - 5:38* OO 5:05 - 5:38
r ld nc AP Butterfield take
RepubLdrshpMtg CabRm

3/25 NSC mtg CabRM

3/26 mtg *1:00* OO *1:00*
Cabmtg CabRm ANC

3/31 dnr Rsdnce

CONNALLY, JOHN B. SECRETARY OF TREASURY

4/1/71 mtg *4:00* / mtg *3:00*

4/8 CIEP mtg CabRm

4/10 p ld nc / r ld c *1 minute*

4/13 mtg *4:00* OO *4:00 - 6:00*

4/14 Swr-in of Chrm SEC OO

4/15 p lo c *1 minute*

4/16 mtg *4:00 - 6:00* OO *12:00*

4/17 Textile Mtg CabRm

4/18 p ld nc

4/20 p lo c *1 minute*

4/22 mtg OO
photograsph Rose Garden

4/27 r lo c *1 minute* OO
CabMtg CabRm

4/29 R lo nc R ld nc
P ld c

001952

CONNALLY, John B.

Secy of the Treasury

5/4/71 Mtg/GOP ldrshp

5/4 Mtg *Quadrant*

5/4 r lo nc

5/4 p lo c *1 minute*

5/5 OPEN DOOR HOUR / Fed Civ. Serv. Awards

5/5 Mtg *4:00* OvalOfce

5/6 Mtg *4:00* OvalOfce

5/7 p lo c *8 minutes*

5/8 WH Correspondent's Dnr SheratonPkHtl ANC

5/9 p lo c *1 minute*

5/10 Brkfst *1:00* OvalOfce

5/11 Mtg *1:00* OvalOfce

5/11 p lo c *1 minute*

5/11 r lo nc

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FRIDAY, MARCH 19, 1971

8:00 HRH office
8:30-11:00 President
12:00 John Osborn (New Republic)
2:00 Sec. Volpe, Shultz, Magruder, MacGregor, Timmons (SST)
3:00 George Shultz
4:00 Sec. Hardin, Whitaker, Cashen, Shultz, Cook, Rice
(Milk Price Supports)
7:00 Car at west basement
7:15 Depart for Williamsburg from Pentagon helipad
(with Lundquists)

MONDAY, MARCH 22, 1971

7:45 Car at west basement
8:00-10:15 Breakfast meeting at HUD - Romney's office (Romney, Volpe,
Hardin, Stans, Blount, Burns, McCracken, Deming)
11:00 Reorganization briefing - Roosevelt Room
12:00 Weinberger, Morgan, Evans, Cole
2:00 Jerry Schecter (Time)
4:00 Roosevelt Room - HAK Laos briefing

TUESDAY, MARCH 23, 1971

8:00 Leadership - Cabinet Room
9:45 Shultz, Hodgson
11:00 Morgan, Colson, Dent, Cole
12:00 President, Shultz
3:00 President, Mayors
4:45 President, Connally, Hardin, Shultz, Whitaker, Rice
(Milk Price Supports)
5:50 Colson
7:30 White House dinner - Etherington - Voluntary Center

WEDNESDAY, MARCH 24, 1971

8:00 HRH office
10:45 Frank van der Linden
11:45 Barber
12:15 Depart White House
12:30 Depart Andrews enroute Boston
2:00-4:00 Christian Science Monitor editorial board
4:30 Depart Boston enroute Andrews
6:30 Dinner with White House fellows - Mess

Indistinct document retyped by
House Judiciary Committee staff

DR

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 8:30-11:00 President
 12:00 John Osborn (New Republic)
 2:00 Sec. Volpe, Shultz, Magruder, Mr. Gregor, Timmons (EET)
 3:00 George Shultz
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 12:30 Depart Andrews Field Boston
 2:00-4:00 Christian Science Monitor editorial board
 4:30 Depart Boston aboard the Andromeda
 6:30 Dinner with Robert Kennedy's Fellowship class

DR

162

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House Judiciary Committee staff

M E M O R A N D U M

To: File
From: Donald G. Sanders
Date: December 7, 1973
Subj: Murray Chotiner Interview
Milk Fund

Murray Chotiner was interviewed today in his office at 1701 Pennsylvania Avenue, Washington, D.C., telephone 298-9030. Attending were Donald G. Sanders, Alan Weitz, and Chotiner.

From January, 1970 to March 1971, Chotiner was Special Counsel to the President. Previously, he was General Counsel to the Special Representative for Trade Negotiations in the White House. In March 1971, he became of counsel for Reeves & Harrison.

Chotiner said his first contact with the milk industry was in 1970 at which time he met Parr and Nelson. He was introduced by Harrison. He learned the dairy people were going to assist the 1970 candidates. Harrison knew that Chotiner was serving as the White House liaison with the 1970 candidates. Chotiner thinks Parr and Nelson may have been on their way to see Harry Dent in an adjoining office. Chotiner didn't discuss with them any details of the contributions. Chotiner knew that Colson had responsibility for groups and organizations.

Chotiner was not a party to any meetings in late 1970 between the dairy people and Colson and associates. Harrison told Chotiner recently that Parr and Nelson met with Colson (Harrison didn't attend), at which time Parr was supposed to have said that dairy farmers were not being treated properly; that they were for the President and wanted to help him. There was also talk of \$1,000,000 or \$2,000,000 to be contributed to the campaign. Parr told Harrison of this talk. Parr said Colson said there couldn't be any quid pro quo.

In 1971-1972, Colson showed Chotiner the Hillings letter which he had in his safe. Chotiner was probably talking to Colson about the milk industry troubles with the Department of Agriculture. One trouble was the milk products imports, and one must have been the milk price

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support. This was at a time when Chotiner was back in private practice. He doesn't keep a calendar or log which would show meetings with Colson. Chotiner has only met with him a few times since leaving the White House. Most of Chotiner's clients are retainers--doesn't bill on a time basis.

Chotiner was shocked at Hillings' letter--thought it was crass. Hillings has said that he never intended for the President to see it; that he felt it was necessary as the dairy people were getting kicked in the pants.

Aside from the Parr and Hillings statements, Chotiner doesn't know of any specific amount of money to be given by the dairy industry.

Colson once told Chotiner that he wanted to disassociate himself from any further contact with the dairy industry--based on Hillings' letter. Chotiner recalled that Harrison said he had toned down the Hillings' letter. Chotiner didn't know what was meant by "special project," and when he asked Harrison what was meant by this, Harrison said he didn't recall. Chotiner didn't talk with Hillings about the letter.

Shortly after joining Reeves and Harrison in March 1971, Chotiner did tell people in the Government that the milk support level should be increased. He left the White House on March 6, 1971. After the Secretary of Agriculture decision on March 12, Chotiner talked with Ehrlichman (Gridiron Dinner), Whitaker, Colson, Cashen. Separately, but in substance, he told them the Republicans usually carry the Midwest, but they need the farm vote to do it, that they need the Midwest to carry the election. He commented that nearly every prominent Democrat had sponsored legislation to raise support. If the price is going up, he said it was stupid to let the Democrats get the credit for it.

Chotiner was not sure that he knew of trust funds at this time.

He knew the dairy folks bought one or two tables at the Republican fundraiser on March 24, 1971.

Chotiner recalled talking with Harrison about the appearance that the milk people didn't want to buy any tickets for the dinner--he told Harrison he thought they should buy some. He didn't talk with anyone else about this.

After the dinner, Chotiner did talk with Nelson. He said if they wanted to make a contribution, Harrison would let them know to whom to give it. Kalmbach was also present; it was at the Madison Hotel.

There was some annoyance or conflict between Colson and Harrison. Therefore, Chotiner was asked to serve as liaison between the dairy people and the Government. He was asked by Ehrlichman (or someone in his behalf). Chotiner was going to California, and was asked to stay for

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a meeting. After dinner, Chotiner met Nelson in the lobby, called Kalmbach's room, and met in his room (he had been in bed.) Chotiner told them he would act as dairy liaison with the Government for their problems, and Harrison would continue to serve as dairy counsel. Chotiner said nothing else of significance was discussed at this meeting.

Chotiner told Nelson that Harrison would provide names of committees for any contribution the dairy industry might make. Chotiner said Harrison would be in touch with them. Kalmbach didn't say much. There was not discussion of price support or definite amounts to be contributed.

Chotiner speculated that the only reason Harrison couldn't have met with Nelson and Kalmbach as well as Chotiner was because of the friction between Colson and Harrison. Chotiner did not know why it was so important to have the meeting that night so as to cause him to postpone a trip.

When asked how he knew that Harrison would serve to tell Nelson how the contributions were to be made, Chotiner said it was just based on the fact that Harrison was counsel for AMPI.

Chotiner saw Colson on March 23. He didn't recall if that is when he learned of Hillings' letter or the bad rapport with Harrison.

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House Judiciary Committee staff

Mr. Donald G. Sanders
Special Counsel
U.S. Department of Agriculture
Washington, D.C. 20250
December 7, 1973

MEMORANDUM

To: File

From: Donald G. Sanders

Date: December 7, 1973

Subj: Murray Chotiner Interview
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In 1971-1972, Colson showed Chotiner the Hillings letter which he had a bad call. Chotiner was probably talking to Colson about the milk industry troubles with the Department of Agriculture. One trouble was the milk products imports, and the other must have been the milk price

...the letter... Hillings...
...the letter... Hillings...
...the letter... Hillings...
...the letter... Hillings...

...Hillings... letter-- he said it was great. Hillings said
...the President to see it; that he
...the dairy people were getting kicked in the pants.

...Chotiner doesn't know of any
...given by the dairy industry.

...Harrison told Chotiner that he wanted to disassociate himself from
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increased. He left the White House on March 6, 1971. After the
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Friedman (Dinner), Chotiner, Nelson, Cashion. Separately,
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west to carry the election. He commented that nearly every prominent
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going up, he said it was stupid to let the Democrats get the credit for it.

Chotiner was not sure that he knew of trust funds at this time.

He knew the dairy folks bought one or two tables at the Republican fund-
raiser on March 27, 1971.

Chotiner recalled talking with Harrison about the appearance that the
milk people didn't want to buy any tickets for the dinner--he told
Harrison he thought they should buy some. He didn't talk with anyone
else about this.

...Harrison... Nelson. He said if they
...Harrison... Nelson...
...Harrison... Nelson...

...Harrison and Harrison.
...the dairy people
...the dairy people
...the dairy people

Chotiner saw Nelson in the lobby, called him into his office, and told him that he had been in bed. Chotiner told him that he was in touch with the Government for their services, and Harrison would come to serve as dairy counsel. Chotiner said nothing else of the business was discussed at this meeting.

Chotiner told Nelson that Harris would provide names of committees for any contribution the dairy industry might make. Chotiner said Harrison would be in touch with him. Kalmbach didn't say much. There was no discussion of price support or definite amounts to be contributed.

Chotiner speculated that the only reason Harrison couldn't have met with Nelson and Kalmbach as well as Chotiner was because of the friction between Colson and Harrison. Chotiner did not know why it was so important to have the meeting that night so as to cause him to postpone a trip.

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[Chotiner saw Colson on March 23. He didn't recall if that is when he learned of Hillings' letter or the bad rapport with Harrison.

SAMUEL DASH
CHIEF COUNSEL AND STAFF DIRECTOR
FRED O. THOMPSON
MINORITY COUNSEL
RUFUS L. EDMISTEN
DEPUTY COUNSEL

United States Senate

SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
(PURSUANT TO S. RES. 40, 93D CONGRESS)

WASHINGTON, D.C. 20510

MEMORANDUM

TO: FILE

FROM: ALAN WEITZ

DATE: DECEMBER 10, 1973 (RETYPE FEBRUARY 13, 1974)

SUBJECT: SECOND CHOTINER INTERVIEW

Today, Dave Dorsen, Dennis Summers, Bob Silverstein and I continued our interview with Murray Chotiner.

1. March 24, 1971

Colson was "uptight" and annoyed with Marion Harrison and Pat Hillings. He had told this to Chotiner even before he left the White House, (Colson and Chotiner were 2 of 4 special counsel) and again when Chotiner saw Colson twice on the 23rd (9 or 9:30 A.M. and 6 P.M.) Colson may even have shown the Hillings letter to Chotiner on the 23rd. (Between the 6th and the 24th, Chotiner also had one meeting in San Antonio with Harrison, Hillings and the client.)

On the evening of the 24th at the Republican fund-raising dinner, Ehrlichman (or one of his staff) told Chotiner that Colson was uptight and annoyed and that he didn't want to have anything to do with dairy people if they represented them. Ehrlichman then asked Chotiner if he would take over as liaison for the dairy people on quotas, price supports and other government matters. Chotiner replied that, since he was Of Counsel and the dairy people were Harrison's clients, he couldn't take over, but he would help. Ehrlichman also asked if he could meet with the milk people, in Kalmbach's presence, to tell them so. Chotiner said he couldn't the

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next day since he had plans to fly out to California. Ehrlichman then suggested that they meet that night. So, at the dinner, Chotiner told Nelson "let's get together with Kalmbach to talk about the milk decision" and then he talked briefly to Kalmbach to get his room number in the Madison Hotel. Chotiner also informed Harrison. Chotiner hasn't talked to Ehrlichman about this since then.

Chotiner explained that it would have been unseemly for a government official to have been present when Chotiner told Nelson of the change in representation, but that Kalmbach lent greater credence to it.

Chotiner said Ehrlichman did not mention the price decision or contributions. Chotiner says that he didn't learn of the Administration decision until it was publicly announced on the 25th. The dairy people were very happy after the meeting with the President.

Chotiner went to the Madison Hotel after the dinner and called Kalmbach's room but couldn't reach Kalmbach. Nelson arrived and after waiting for some time, he and Chotiner realized they had been calling the wrong number. ~~They then reached Kalmbach and went up to his room. Since the dinner ended around 11 P.M., and they waited a half hour or so, it was 11:30 or midnight when they finally met with Kalmbach.~~

It appeared to Chotiner that Nelson and Kalmbach already knew each other. At the meeting, Chotiner said:

"Harold, it's no criticism of Marion or Pat; maybe they don't like the way they comb their hair, but there's bad feeling between Colson and Marion and Pat. So they want me to represent you in dairy matters unless you object."

Nelson: "O.K." (He seemed to have heard about it before; in fact he never asked about Harrison's absence from the meeting.)

Chotiner: "Herb, is that your understanding?"

Kalmbach: "Yes."

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Nelson: "We had a satisfactory meeting with the President and we appreciate it. We contribute to both Democrats and Republicans. If we want to contribute to Republicans, how should we do so?"

Chotiner: "Harrison is still your attorney for such matters, and he'll give you the names of committees."

Chotiner does not recall any further discussion; he and Nelson then left Kalmbach's room. Chotiner went home and the next day (the 25th) he left for California.

Chotiner says that he assumed the contributions would be substantial, although he didn't know the specific amount. Chotiner does not believe there was any specific reference at the meeting to substantive issues.

After the meeting, he informed Harrison, but he never talked to Colson about it. After Chotiner met with Colson once or twice, Mitchell called Chotiner (in April or shortly after returning from California) to tell him that signals had been changed and Harrison was again acceptable as representative of the dairy people vis-a-vis Colson. Chotiner told Harrison, and Harrison didn't seem surprised. Nonetheless, Harrison continued to deal primarily with Cashen, and Chotiner with Colson.

Chotiner knows of no dairy contacts with Connally.

2. 1971 Contributions

Chotiner doesn't remember telling Harrison, after the March 24 meeting, about the contributions discussed by Nelson at the meeting. At some point, (Chotiner thinks more than a week after the 24th), Harrison showed Chotiner some of the "silly" names of committees. Chotiner remembers names of only some committees, of the 100, being provided at first to Harrison and the dairy people.

Chotiner wasn't directly involved in the contributions. However, in the summer of 1971, Harrison went to Europe. Before he left, he told Chotiner that the contributions were not coming in as anticipated. Chotiner confirmed this by calling FCRP, and called Dave Parr who said he wasn't sure he had all the names of the committees. So Chotiner

had Harrison's secretary send a list of the 100 committees to Parr, marked to indicate committee names already sent to the dairy people by Harrison. Chotiner had some idea that the contributions were being coordinated among the three dairy co-ops. When the checks came in to Chotiner, he merely had a secretary take them to FCRP. After August, 1971, he had no further participation in the contributions.

2. A. 1972 Solicitations

Only recently did he hear from Harrison of AMPI meetings with Kalmbach in 1972. Chotiner says he had no contemporaneous knowledge of such meetings or of any further solicitations.

3. Ellsberg Break-In

Sometime in 1971, Colson asked Chotiner if the dairy people wanted to give \$5000 to another committee, for some work or project. Chotiner passed the information on to Harrison, without ever knowing any details.

Chotiner cannot explain why Harrison thinks Colson called Harrison directly. Chotiner told us that Colson may have called Chotiner who told Harrison who, in turn, called either Colson or Cashen.

Chotiner says that Harrison once told him that someone (presumably Colson) "over there" (in the White House) had suggested that AMPI hire Wagner and Baroody for public relations work. Chotiner knows nothing further except that he thinks they were retained. He thinks they needed public relations work to help their image.

4. Antitrust Suit

Harrison told Chotiner about the Justice Department antitrust suit against AMPI, after it was filed. Chotiner may have talked to Colson about it. The key objection by AMPI was that there had been no 30 or 60 day pre-filing negotiation period. Harrison and Chotiner decided to wait until the new antitrust chief was named before pursuing it. (Chotiner got the impression from Harrison that McLaren was responsible for filing the suit just prior to his leaving the Department.) But the next night, after the Harrison-Chotiner conversation,

-5-

Chotiner saw Mitchell at a party. Chotiner took the opportunity to tell Mitchell that AMPI should be treated like any other defendant in the up-coming post-filing negotiations. He says Mitchell didn't respond.

Chotiner was first shown the Harrison letters (attached) last week, and he was upset. He says that, contrary to the implication of the March 25 letter to Mehren, they did not discuss talking to Kleindienst, but only to McLaren's successor. Although Chotiner never again talked to Mitchell about the suit, he understands Harrison did later talk to Kleindienst. (Chotiner once talked to Bruce Wilson about an unrelated matter.)

In 1972, AMPI fired Reeves & Harrison because the firm was not getting a good response from the Administration.

5. FCRP

Chotiner was in charge of ballot security in the President's 1972 campaign. He was reimbursed for his expenses and for the money he paid to reporters. When he left the White House, he received money from Kalmbach for part of his secretarial and phone expense (but never his rent at Reeves & Harrison.) AMPI paid for part of his secretary's furnishings; he always paid for his rent (\$625 per month) out of his monthly payment from the firm.

SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

AFFIDAVIT

District of Columbia
City of Washington

I, Alan S. Weitz, a resident of Washington, D.C., being duly sworn, hereby depose and say as follows:

1. I have been assistant counsel to the Senate Select Committee on Presidential Campaign Activities from September 24, 1973 to the present.
2. In the course of the Committee's investigation, Mr. Donald Sanders, Deputy Minority Counsel, and I interviewed Mr. Murray Chotiner on December 7, 1973, and Mr. David Dorsen (Assistant Chief Counsel), Mr. Dennis Summers (Assistant Counsel), Mr. Robert Silverstein (Assistant Minority Counsel) and I interviewed Mr. Chotiner, again, on December 10, 1973. On the day of the first interview, Mr. Sanders wrote a memorandum summarizing the substance of the interview. On the day of the second interview, I wrote a memorandum summarizing the substance of the interview.
3. On January 24, 1974, Mr. Dorsen advised me that he had telephoned Mr. Chotiner's office to arrange to obtain sworn testimony in executive session before the Committee on the subjects of the interviews, and was advised by Mr. Chotiner's secretary that he had been in a serious automobile accident the preceding day. Mr. Chotiner died on January 30, 1974.
4. I am executing this affidavit in order to preserve, in the most reliable form, the substance of Mr. Chotiner's account related to us of relevant events. To this end,
 - (1) Mr. Sanders and I reviewed the December 7, 1973 memorandum;
 - (2) I caused my December 10, 1973 memorandum to be retyped on Committee letterhead stationery to correct any typographical errors, to spell out certain names and to rewrite certain cryptically-phrased sentences in the original December 10 memorandum. I did not alter the substance of the earlier memorandum; and
 - (3) I showed the retyped December 10 memorandum to Messrs. Dorsen, Summers and Silverstein.
5. Mr. Sanders and I agree that the December 7 Sanders memorandum is a true and accurate account of the substance of the December 7 interview with Mr. Chotiner. Messrs. Dorsen, Summers, and Silverstein and I agree that the retyped December 10 memorandum is a true and accurate account of the substance of the interview with Mr. Chotiner of that date.

32.3 ALAN WEITZ AFFIDAVIT ACCOMPANYING MURRAY CHOTINER
SSC INTERVIEWS, FEBRUARY 27, 1974

Affidavit
Page 2

6. Attached to this Affidavit are the following:

Exhibit A: copy of the December 7, 1973 memorandum from Donald G. Sanders to the File re: Murray Chotiner Interview;

Exhibit B: the retyped December 10, 1973 memorandum from Alan Weitz to the File re: Second Chotiner Interview.

Alan S. Weitz
Alan S. Weitz

Subscribed and sworn to before me
this 27th day of February, 1974.

Marie Geneau
Notary Public

My Commission Expires 10/31/78.



Phone (Area 202) 544-6000

WARD & PAUL

410 First Street, S.E., Washington, D.C. 20003

1 Mr. Hanman. I do not know for sure.

2 Mr. Weitz. Did he tell you or did anyone else tell you
3 who called Parr?

4 Mr. Hoecker. Did Parr tell him that?

5 Mr. Weitz. Did Parr tell you that or did you know that it
6 was a fact?

7 Mr. Hanman. I do not know who called him. But it is my
8 recollection that's why we went.

9 Mr. Weitz. Did someone tell you or do you recall from
10 whatever source who you were told had called Parr?

11 Mr. Hanman. My recollection was it was a call from Phil
12 Campbell.

13 Mr. Weitz. He was Undersecretary of Agriculture?

14 Mr. Hanman. Yes.

15 Mr. Weitz. Were you told or do you have any recollection
16 of what was supposed to have transpired in that telephone con-
17 versation?

18 Mr. Hanman. No. My recollection was that the call in
19 effect said we should go to the dinner, we should not boycott
20 the dinner, we should go ahead with the plans as previously
21 made.

22 Mr. Weitz. Had you ever talked to Phil Campbell about
23 contributions activity, as opposed to the merits of the price
24 support decision?

25 Mr. Hanman. No.

1 Mr. Weitz. Do you know whether anyone connected with any
2 of the three principal dairy coops had spoken to Campbell about
3 contributions activities or possible contributions?

4 Mr. Hanman. Not that I could testify to, no.

5 Mr. Weitz. Do you know how Campbell knew about the plans
6 to go to the dinner, the possible boycott of the dinner?

7 Mr. Hanman. No, I do not.

8 Mr. Weitz. Do you know whether there was any reference by
9 Campbell to the price support matter, either any meetings that
10 were going on within the Administration or a review of the price
11 support, the first decision and so forth?

12 Mr. Hanman. No, I do not.

13 Mr. Weitz. Do you know whether Campbell indicated to Parr
14 any reason that you should not boycott the dinner?

15 Mr. Hanman. No. As I recall, the general statement was,
16 progress is being made. We should go ahead and go to the dinner!

17 Mr. Weitz. Progress is being made with regard to what?

18 Mr. Hanman. To this price support activity, working on
19 this legislation.

20 Mr. Weitz. Campbell was in the Administration. He would
21 not have to call you to tell you progress was being made with
22 legislation, would he?

23 Mr. Hanman. Normally not. I would think that would be
24 true.

25 Mr. Weitz. In fact, was he not referring to the fact that

1 the progress that was being made in the Administration was regar-
2 ding administrative increase?

3 Mr. Hanman. I do not know.

4 Mr. Weitz. Is that not what you understood?

5 Mr. Hanman. I understood that progress was being made in
6 our objective, to get price support increases, legislative or
7 administratively.

8 Mr. Weitz. What was Campbell referring to?

9 Mr. Hanman. I do not know.

10 Mr. Weitz. What was your understanding talking about it
11 with Parr and others?

12 Mr. Hanman. I do not know. I do not recollect whether it
13 was legislative or administrative. I think it could have been
14 legislative. I think there would have been some calls to him
15 from Republican Congressmen or Senators with respect to this.
16 One of the things that we asked them to do was to call the
17 Administration people, the people in the Administration.

18 Mr. Weitz. They had been doing that for a number of weeks,
19 had they not?

20 Mr. Hanman. That's right.

21 Mr. Weitz. The effort had been going on with the dairy
22 people in Congress and elsewhere for a number of weeks or
23 months.

24 Mr. Hanman. Intensively since that March decision, yes.

25 Mr. Weitz. Did you have any knowledge or were you told of

32.5 PHIL CAMPBELL TESTIMONY, MAY 31, 1974,
SSC EXECUTIVE SESSION, 60, 61, 64-66

1 time which would be five fifty Eastern Standard Time which
2 would be the time in Washington on March 23 of 71, there is a
3 record of a phone call from Mr. Phil Campbell to Mr. Nelson
4 with the message to return the call to your home. Is your
5 number Area Code 703-360-5789?

6 Mr. Campbell. Yes. So --

7 Mr. Weitz. That would indicate then that at 5:30 in the
8 afternoon which would have been shortly after the 4:45 meeting
9 you placed a call that did not reach Mr. Nelson.

10 Mr. Campbell. Maybe I didn't. All I know is I placed the
11 call and talked to him. I can't give you the details. I mean
12 you have the records and I will have to accept when it was on
13 there.

14 Mr. Weitz. Do you recall him returning the call at your
15 home that evening?

16 Mr. Campbell. I recall I talked to him. I don't recall
17 under what circumstances.

18 Mr. Weitz. Did you talk to him after dinner?

19 Mr. Campbell. I thought I talked to him at the office.
20 My memory may be wrong on that.

21 Mr. Weitz. You see the records show he was still in Wash-
22 ington that day.

23 Mr. Campbell. I see. I don't know where I talked to him
24 but I placed the call and talked to him but I can't tell you
25 exactly when.

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410 t Street, S.E., Washington, D.C. 20003

1 Mr. Weitz. Did you have your secretary place the call?
2 Mr. Campbell. I don't remember how it was done.
3 Mr. Weitz. But it is likely that the only number you
4 would have had in your records would have been his office in
5 San Antonio?

6 Mr. Campbell. That is correct. Yes. Possibly his home.
7 I don't know.

8 Mr. Weitz. But not his hotel room in Washington?

9 Mr. Campbell. No, I recall I had the call placed, I did
10 talk to him but I don't know how or when the call was completed.

11 Mr. Weitz. Could you tell us what you told him on the
12 telephone?

13 Mr. Campbell. Yes. I asked him to -- well I said, now
14 Harold if we do change our mind and do raise the price, will
15 you and the other dairymen stop asking us for prices increases
16 -- well, not price increases but price support increases --
17 because I don't think it is good for the dairymen. Will you
18 get off our backs? And he agreed and said he would.

19 Mr. Weitz. You recall using that language, "get off our
20 backs?"

21 Mr. Campbell. Yes, I asked him to get off our backs and
22 he agreed that if we did raise the price support that he would.

23 Mr. Weitz. Did you indicate that you had met with the
24 President?

25 Mr. Campbell. No.

1 him that it had been made.

2 Mr. Weitz. Did you discuss anything else in the conversation

3 Mr. Campbell. No, that was a very short conversation.

4 Mr. Weitz. Did you ask him not to boycott the Republican
5 fund raising dinner the next night?

6 Mr. Campbell. No, sir, I don't recall even talking to ...
7 him about that. I don't recall any conversations with him in
8 regard to that fund raising.

9 Mr. Weitz. Did you attend that dinner?

10 Mr. Campbell. No, sir.

11 Mr. Weitz. Were you aware on the 23rd the dinner was
12 going to be held the next evening?

13 Mr. Campbell. I was aware because I got a letter soliciting
14 me to buy a \$1,000 ticket, which I was not financially able to
15 do. I get these letters each year and I have never bought a
16 ticket because I am not financially able to.

17 Mr. Weitz. Were you aware that the dairy co-ops were
18 planning to attend the dinner representatives of the co-op were
19 planning to attend the dinner?

20 Mr. Campbell. I don't know when I knew. I heard after-
21 wards that they were there and I don't know how many tickets
22 they bought or anything about it, but I had nothing to do with
23 them purchasing the tickets.

24 Mr. Weitz. Were you aware that after the March 12 decision
25 they had started to change their minds about attending the

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ape 5-A

1 dinner and in fact some of them wanted to boycott the dinner?

2 Mr. Campbell. I don't recall that, no. I do not recall
3 that because I was not involved in initiating or instigating
4 the purchase of any tickets to that dinner.

5 Mr. Weitz. Well, whether or not you were involved in
6 initiating or instigating the purchase of the tickets, were you
7 aware or were there people telling you or inferring the fact
8 that there was a change of sentiment on the part of the dairy
9 people?

10 Mr. Campbell. I don't recall it. I don't recall when I
11 knew they were even thinking of buying tickets. I do remember
12 hearing as I remember that they had two or three tables. I
13 don't know how many people that would be but I assume that is
14 ten people to a table. I don't recall the time sequence of
15 when I heard this because frankly I was not involved in the
16 dinner, I was not involved in trying to sell tickets and did
17 not attend the dinner and as a result it wasn't of prime
18 importance to me in my mind and I don't remember when I heard
19 anything of that type but I do remember hearing afterwards they
20 did have two or three tables.

21 Mr. Weitz. Before the dinner you didn't discuss with any
22 one the likelihood of the dairy people either attending or not
23 attending the dinner?

24 Mr. Campbell. I don't remember any such discussions,
25 although I may have heard that just like I heard this other

1 thing of donating \$2million to the President's campaign. I
2 could have heard that but I don't recall it.

3 Mr. Weitz. Did you know of any plans by the dairy people
4 to contribute as much as \$60 thousand, \$80 thousand, or \$100
5 thousand to the dinner or to the dinner committees?

6 Mr. Campbell. I had no personal knowledge of this. I
7 don't recall anyone telling me and saying "we are going to do
8 these things" although I did hear afterwards that they had. I
9 could have very easily been told by somebody well "they are
10 going to buy tickets to the dinner" but that wasn't important
11 to me. I wasn't involved. And I don't recall it. It could
12 have been told to me but I just don't recall it.

13 Mr. Weitz. Is there any way that you can pinpoint the time
14 when you talked to Nelson on the 23rd other than the fact it
15 apparently was after 5:50 p.m.?

16 Mr. Campbell. No, there is not. I remember placing the
17 call and then, until you corrected me I thought I got the call
18 through but I evidently did not and I just don't know when I
19 talked to him but I thought it was that same day. It might
20 not have been, it could have been the next day but I did talk
21 to him. And I thought it was the same day that it may not have
22 been.

23 Mr. Weitz. Assuring it was the same day though you don't
24 recall talking to him at home versus at your office?

25 Mr. Campbell. No.

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best of his ability what it says.

MR. GOLDBLOOM: Do you have other questions?

MR. DOBROVIR: No. After this I'm finished.

(Secretary returns original

(exhibit to Counsel.

MR. DOBROVIR: I am now showing the original
back page of Exhibit 75 to Mr. Nelson who will read, as
best he can decipher his own handwriting, what it says.

A "Schultz: Every dime must be cut down." Squiggle.
"Schultz has got to be instructed." Then an illegible
word, then "talked to Schultz and Pres thirty minutes.
Told Pres we were most aggressive political organization
in America." Then another line and uncompleted sentence,
"Didn't give."

Q Would you like to amend the word "America"? You just said
"most aggressive political organization in America."

A "In agriculture." Yes, I certainly would because that's
not a strong statement because agricultural organizations
are notoriously politically impotent.

MR. DOBROVIR: Off the record.

(An off-the-record discussion was
(had.

MR. DOBROVIR: I have no more questions.

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1 best of his ability what it says.

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12 Told Pres we were most aggressive political organization
13 in America." Then another line and uncompleted sentence,
14 "Isn't five."

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16 "most aggressive political organization in America."

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18 not a strong statement because agricultural organizations
19 are notoriously politically impotent.

20 MR. DOBROWIE: Off the record.

21 (An off-the-record discussion was
22 (had.

23 MR. DOBROWIE: I have no more questions.

what? Everything must be
cut down.

A debate has got to be
~~interrupted~~.

amman

I talked to Schultz & Pres

50 min.

Pres. Leavens most
aggressive polit. org. in Ague
didn't give

33. During the night of March 23, 1971 AMPI officials flew to Louisville, Kentucky, the home of Dairymen, Inc. (DI), another large milk producers cooperative and met at about 4:00 a.m. on March 24, 1971 with Paul Alagia, an official of DI who had attended the March 23, 1971 morning meeting with the President. They discussed political contributions including the possibility of an immediate contribution to purchase tickets to a Republican fundraising dinner to be held that evening. They also discussed loans among their organizations for the purpose of making contributions. During the afternoon of March 24, 1971 a DI contribution \$25,000 was flown to Washington and given to several Republican committees to buy seats to the dinner.

	Page
33.1 Paul Alagia testimony, SSC Executive Session, January 25, 1974, 31-34, 38-41.	704
33.2 Harold Nelson testimony, SSC Executive Session, December 19, 1973, 72-74.	712
33.3 David Parr testimony, SSC Executive Session, December 21, 1973, 79-81.	715
33.4 Gary Hanman testimony, SSC Executive Session, May 21, 1974, 8, 13-14, 20.	718
33.5 SPACE report to the Clerk of the United States House of Representatives, June 4, 1971 (received from Clerk of the House of Representatives).	722

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she gave me a number to call and then I was informed that th
wanted to meet me. But I can't remember -- I know I didn't
talk with Nelson, Parr, Lilley, or Hanman. I mean I don't
recall them talking to me.

Mr. Weitz. While you were in Chicago?

Mr. Alagia. Right.

Mr. Weitz: But were you informed that those were the
p eople who were trying to look for you?

Mr. Alagia. Oh, no. No, I didn't know who was going to
be at the airport when I got off until I got off the airplane

Mr. Weitz. Did you know someone would be trying to meet
you or wait for you?

Mr. Alagia. I was told that. Whether or not they would
be there, I was going home.

Mr. Weitz. But your wife told you they would try to meet
y ou at the airport?

Mr. Alagia. When I got home, yes.

Mr. Weitz. What is your best recollection of the time
you arrived in the airport in Louisville that morning?

Mr. Alagia. Three or four o'clock.

Mr. Weitz. Who did you find at the airport waiting for
y ou?

Mr. Alagia. I found Harold Nelson, Dave Parr, Garry
Hanman, and Bob Lilley. If they had anybody else there, I
don't remember.

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Mr. Weitz. And Mr. Lilley, Mr. Nelson, and Mr. Parr were employed by AMPI and Mr. Hanman was employed by Mid-America dairy.

Mr. Alagia. Yes sir.

Mr. Weitz. Who spoke to you when you came off the plane?

Mr. Alagia. I don't know which one of them spoke to me, but I know my -- you know --

Mr. Weitz. Who did most of the talking to you?

Mr. Alagia. Mr. Parr.

Mr. Weitz. Do you recall anything in particular -- could you tell us essentially what he told you?

Mr. Alagia. When I got off the plane -- you know, I can tell you the thrust of the meeting. I can't remember it word for word, but I can tell you what the thrust was as far as these four fellows descending on me at that time. That was, you know, I could not imagine why they were down there to meet me at that time. But in the past, I mean, they were night people from the word go as far as meetings and things like that were concerned.

In any event, I asked them to -- you know, what on earth did they want?

They said, well, they indicated to me they wanted two or three hundred thousand dollars from us.

I said, well you, or words to this effect, you have got to be kidding. I mean we would not have that kind of money.

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What are you guys talking about? You have to be kidding.

So they got off that.

Mr. Weitz. Before we leave that. They got off that.

When they first made the -- would it be Nelson or Parr essentially who made that request or statement?

Mr. Alagia. Yes, but I don't recall which one.

Mr. Weitz. Did they in any way indicate, either by the context of the discussion or anything else you can piece together from your understanding at the time, did they indicate what they wanted the money for or for whom?

Mr. Alagia. Well, it was -- let me put it this way. In the context of the meeting -- and you know, incidentally, I didn't know whether this meeting was this day or later on at some other time until we got really checking these records. But obviously, in the meeting we had had with the President and it was in the context of, you know, that meeting. That is about the best I can put it.

Then they got on to wanting SPACE to lend ADEPT \$100,000.

Mr. Weitz. Now, ADEPT, you indicated, had been formed more than a year after SPACE had been formed. Was it your understanding that they had even a smaller amount of funds available than did SPACE?

Mr. Alagia. Frankly, I didn't know what ADEPT had in their coffers, you know, nor did I know what TAPE had. I just didn't keep count of that, you know.

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Mr. Weitz. But it was clear in your mind that they wanted the money in order to enable ADEPT to make a contribution with that amount?

Mr. Alagia. What other conclusion could I reach?

Mr. Weitz. And they said they wanted how much, \$100,000?

Mr. Alagia. \$100,000.

Mr. Weitz. Did they tell you by what time or timetable they wanted it?

Mr. Alagia. I asked them in effect, what was the timetable. They said the first of the week.

I said, well, listen, I am a lame duck, by gosh, and I am sure not going to make any decision like that.

Mr. Weitz. Did you also raise a question as to the legality of that loan?

Mr. Alagia. Yes, I did. I said that I didn't think that Corrupt Practices law would permit the transfer or loans like that. And I had made up my mind I was not going to have any part of that.

Mr. Weitz. I am sorry if you had stated it before. Did he indicate he wanted the loan by the first of the week? Did you -- did he indicate that to you?

Mr. Alagia. They indicated -- I am just telling you how I remember it. The thrust of it was that by the first of the week, the loan from SPACE that they wanted for ADEPT --

Mr. Weitz. Right. Now, if the record, which would, of

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meaning you -- "interested in helping you but just wanted to check how much they had and would do everything they could?" Mr. Nelson's response was: "In my recollection, he was very interested. There was no problem from that standpoint at all

And that is inconsistent with your recollection of the meeting?

Mr. Alagia. Why, yes, I didn't agree to that at all.

Mr. Weitz. How did you leave it? Did you just go to bed and leave it that you would not be contributing any amount or no amount?

Mr. Alagia. I told them that I was going to leave any decision on contributions to Ben Morgan and I didn't think it was legal what they were trying to do. I don't know what he says about that, but I sure didn't think it was legal.

Mr. Weitz. When you say what they were trying to do, are you talking in terms of the loan from one trust to another?

Mr. Alagia. Why, sure. Why should we lend ADEPT or anybody else the money? If they don't have the money, they should not be making any contributions.

Mr. Weitz. Now, the very next morning, the morning of the 24th, that same day, did you relate this conversation to Mr. Morgan.

Mr. Alagia. That next morning, I talked with Ben Morgan and I talked about the Presidential meeting. I talked about the meeting with, you know, Mr. Moser.

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Mr. Weitz. The discussion?

Mr. Alagia. The discussion about the contribution.

We talked about the fact that we ought to concentrate our efforts on the Hill, and we -- I am sure we discussed the dinner dates, and as far as the meeting at the airport, I told Ben Morgan if he got a call from anybody over there, lending money from SPACE to ADEPT or any of that, I am sure not going to authorize it from a legal point of view.

Mr. Weitz. Let me ask you one question. I think we may have overlooked this from my understanding of the meeting at the airport. Was there any reference to Mr. Connally by the AMPI officials?

Mr. Alagia. Yes sir.

Mr. Weitz. This was at the meeting at the airport?

Mr. Alagia. Yes. They told me, you know, they had either been to see Connally or they were on their way to see Secretary Connally.

Mr. Weitz. Who told you that, do you recall?

Mr. Alagia. Harold Nelson. I feel it could have been Dave Parr, but I think it was Harold Nelson.

Mr. Weitz. Did Mr. Lilley or Mr. Parr say anything about Mr. Connally that you can recall?

Mr. Alagia. Mr. Lilley -- they were trying to tell me what kind of a forceful fellow Mr. Connally was.

Mr. Weitz. There again, was it your understanding that

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they were referring to the price support matter then possible before the Administration?

Mr. Alagia. Well, it was in the context of this meeting

Mr. Weitz. Was anything else said that you can recall at this meeting at the airport at 4:00 o'clock in the morning

Mr. Alagia. No, I was ready to leave, you know, and would have done anything within limits to politely excuse myself and get out of there. I didn't appreciate them descending on me, you know.

Mr. Weitz. Let me ask you one more question. Had you been aware before their comment to you about Mr. Connally that they had been in contact with Mr. Connally or were trying to get in contact with Mr. Connally?

Mr. Alagia. Had I been aware?

Mr. Weitz. Yes, before they told you.

Mr. Alagia. I mean if they did tell me, it didn't make much of an impression, because they were always talking about big names. And I say big names; you know, they had either been down to see President Johnson at his ranch or some other place.

Mr. Weitz. But this was the only "big name" that they mentioned to you at the airport meeting?

Mr. Alagia. Yes sir, as far as I can recall.

Mr. Weitz. Now, on the 24th, after you had talked to Mr. Morgan, do you in fact know what steps were taken to make

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a contribution that day to the dinner, to the fund-raising dinner on the 24th?

Mr. Alagia. Yes. When I could not find Joe Westwater and my wife reminded me that she tried to get Lou Westwater his wife, to call me during the course of the morning if she ran him down, I sent John Mays to Washington to get the din tickets from Harrison's office to take them to the Quality Court --

Mr. Weitz. In Washington?

Mr. Alagia. Where our Dairymen were so our Dairymen, the President and these other farmers, would not be flounder around, wondering where the dinner was, or anything like that.

Mr. Weitz. I think the record shows that five checks, each for \$5,000, to various Republican committees, totaling \$25,000 were drawn for SPACE on the 24th of March. Can you tell us who authorized those contributions?

Mr. Alagia. After talking with Mr. Morgan, he called me back, talking about how much was in our kitty, and 20 or 25 thousand dollars is what he authorized Jim Mueller to write.

Mr. Weitz. Do you know whether that contribution on the 24th, totaling \$25,000, was the largest amount to any one function or fund-raising event that SPACE had made up to that time?

Mr. Alagia. It could have been; it could have been.

Mr. Weitz. Do you know whether any representatives of

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Mr. Weitz. Why were you seeking a commitment on the morning of the 24th of Mr. Alagia if he had already expressed his interest in contributing?

Mr. Nelson. We did not have a -- actually, I personally at the time -- just trying to recall -- I figured we were more certain to get the money from Mr. Alagia than we were from Mr. Hanman, and we got Mr. Hanman in the posture of going down there to get Alagia, and incidentally we were getting Mr. Hanman.

Mr. Weitz. So you wanted to line up everybody?

Mr. Nelson. That is right.

Mr. Weitz. How much money did you want to tell Mr. Kalmback the next day that you wanted to contribute?

Mr. Nelson. We had already told him long before this.

Mr. Weitz. How much?

Mr. Nelson. As I have told you repeatedly --

Mr. Weitz. There's the two million dollar figure that Mr. Hillings stated.

Would that be consistent your previous conversation?

Mr. Nelson. Oh, it would have been -- that was not too much.

Mr. Weitz. More than two million dollars?

Mr. Nelson. We would have if they would have given us the committees.

Mr. Weitz. Well, you could make that representation, and you had already made that representation according to your testimony

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without talking to Mr. Alagia.

What was the purpose of getting --

Mr. Nelson. We wanted to --

Mr. Weitz. Wait a minute.

-- getting a commitment from him on some specific amount
in the morning of the 24th?

Mr. Nelson. Just because we wanted to -- if we got the com-
mittees we wanted to be in a position to have them start con-
tributing.

Mr. Weitz. But you did not have the committees. You had
not had them for three or four months, at least, since the last
time that you had met with Mr. Kalmbach and Mr. Evans.

Did you not, in fact, want to get specific amounts from
him so you knew you could tell Mr. Kalmbach or someone of the
Republican fund-raisers on the 24th that within one week or two
weeks time you could contribute x amount of dollars if the com-
mittees were provided?

Mr. Nelson. I don't think we were getting enough money
from them to make a whole lot of difference.

Mr. Weitz. How much did you ask them for?

Mr. Nelson. I do not recall.

Mr. Weitz. Did you ask them for \$300,000?

Mr. Nelson. They did not have \$300,000, as I recall.

Mr. Weitz. SPACE?

Mr. Nelson. I don't believe so.

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Mr. Weitz. Did you ask them for \$300,000?

Mr. Nelson. No, I don't recall. Mr. Alagia might remember, but I do not remember how much we might have asked him for.

Mr. Weitz. How much did you ask him for?

Mr. Nelson. As I say, I do not recall.

Mr. Weitz. Did you mention a figure?

Mr. Nelson. I am sure we talked about a figure.

Mr. Weitz. You asked for some specific amount which you cannot recall at this particular time?

Mr. Nelson. That's right, we asked him for a figure.

Mr. Weitz. Did he agree to make that contribution that you asked for?

Mr. Nelson. He agreed to see what he could do. I do not think he made any firm --

Mr. Weitz. Did you ask him to make a loan to ADEPT, to have his organizations make a loan to ADEPT?

Mr. Nelson. We asked him or it was discussed. I don't remember whether we asked him. It was discussed that one or the other of us would make a loan to ADEPT, and I believe it wound up with TAPE asking a loan to ADEPT.

Mr. Weitz. That's the way it wound up.

Did you ask Mr. Alagia to have SPACE make a loan to ADEPT?

Mr. Nelson. We talked to him, whether it would be them or us.

Mr. Weitz. Did you ask him whether they would be interested

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period where he was waiting for the meeting, and subsequently went through with the meeting, it took perhaps one hour, perhaps one and one-half hours.

Mr. Parr. That was the night of the 24th?

Mr. Weitz. The night of the 24th, and immediately after the fund-raising dinner, and that he immediately returned to his room to go to sleep in the Madison Hotel.

Now, given that information, does that refresh your recollection as to whether that was the time period in which you were waiting for him, and then the discussion you had with him ensued?

Mr. Parr. I thought it was the 24th. I have testified that way before. But when you mentioned Louisville -- I had forgotten about Louisville. I always thought it was the 24th.

Mr. Weitz. Do you recall, for example, whether Mr. Nelson came in dressed in some kind of a formal clothing?

Mr. Parr. I do not know what kind of clothes he had on

Mr. Weitz. So, based on what I have told you, you believe it was the night of the 24th that this conversation with Nelson took place?

Mr. Parr. Yes, sir.

Mr. Weitz. Going back to the night of the 23rd, when, as I say, we have independent evidence that you with Mr. Nelson and Mr. Hanman went to Louisville, can you enlighten us with anything that you recall that took place before and that led to that

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trip?

Mr. Parr. I know this is very important to me personally and very important to the investigation. I just know that there was some reason in the discussion that we should consult with Mr. Alagia.

Mr. Weitz. You said before that you thought that there were some discussions connected with some substantial contributions, for example, to the dinner?

Mr. Parr. That was -- I believe that was what was discussed with Mr. Alagia on the 23rd.

Mr. Weitz. In Louisville?

Mr. Parr. In Louisville.

And that I got the impression that not only would we go to the dinner on the 24th, but we would make additional contributions.

Mr. Weitz. Above and beyond the tickets for the dinner?

Mr. Parr. Yes.

Mr. Weitz. Substantial contributions?

Mr. Parr. Yes.

Mr. Weitz. For what purpose?

Mr. Parr. I guess in relationship to the matter of the price supports.

Mr. Weitz. Do you recall when you -- did you meet with Mr. Alagia in Louisville?

Mr. Parr. Yes, sir.

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Mr. Weitz. Was he alone?

Mr. Parr. Well, I did not even remember Mr. Hanman going, so I do not recall whether Mr. Alagia was by himself or was not.

Mr. Weitz. Do you recall what time at night or in the morning you met with them?

Mr. Parr. It seemed like to me it was around -- I just know it was at night, late in the night.

Mr. Weitz. Hardly anyone there at the airport?

Mr. Parr. I do not recall. I just know -- I believe it was around 12:00 o'clock.

Mr. Weitz. Do you remember what was discussed?

Mr. Parr. I know it was discussed, the idea of going to the dinner, and I believe what we discussed was making additional contributions.

Mr. Weitz. Do you remember whether any cussed?

Mr. Parr. It seems to me that there were amounts, but I do not recall what they were and how they were --

Mr. Weitz. Do you recall someone asking Mr. Alagia whether SPACE would contribute \$300,000 or some amount in excess of \$100,000?

Mr. Parr. I just do not remember, Mr. Weitz.

Mr. Weitz. You indicated before that your understanding was that ADEPT did not have sufficient funds at that point to make substantial contributions. They were short on funds.

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1 Mr. Hanman. Yes.

2 Mr. Weitz. I believe you said Harold Nelson had also attend
3 the meeting at Louisville.

4 He also attended that morning, did he not?

5 Mr. Hanman. Yes.

6 Mr. Weitz. Paul Alagia was also at the meeting with the
7 President, was he not?

8 Mr. Hanman. I believe that is correct.

9 Mr. Weitz. Can you tell us what was the reason that you
10 flew out from Washington to Louisville for this meeting, rather
11 than having discussed the matter that morning either before or
12 after the meeting with the President?

13 Mr. Hanman. My recollection of it was, the first thought
14 that the dairy farmers would attend this Republican dinner in
15 substantial amounts. Then after the March 12th decision, the
16 thought was that we would not -- maybe even boycott it, not go
17 at all.

18 Some time between, I believe between the meeting with the
19 President and the dinner, which was to be the next night, I be-
20 lieve Dave got a call from somebody -- I do not know from whom --
21 who indicated that we should not boycott the meeting, that we
22 should go ahead and go to this dinner as previously planned.
23 And as I recall, the flight to Louisville was to talk to Alagia
24 about what he thought about that.

25 Mr. Weitz. Do you know who called Parr?

1 that we attend this dinner and I think in that vein would be
2 why we would be going to the dinner, yes.

3 Mr. Weitz. Do you recall what time you left Washington
4 for the meeting in Louisville?

5 Mr. Hanman. No, I do not. It was late, I know that.

6 Mr. Weitz. You were already in bed, close to midnight,
7 before you left Washington?

8 Mr. Hanman. I do not know. I suppose.

9 Mr. Weitz. You flew to Louisville by AMPI jet?

10 Mr. Hanman. Yes.

11 Mr. Weitz. This was a special trip; the plane was not
12 going anywhere else on the way?

13 Mr. Hanman. That is my recollection. That is right.

14 Mr. Weitz. Were you told of any arrangements to try to
15 meet Alagia there, contact Alagia or his wife or so forth, to
16 make sure he would be there?

17 Mr. Hanman. It was my understanding when we took off that
18 was who we were going to talk with.

19 Mr. Weitz. Do you know where he was at the time?

20 Mr. Hanman. No, I did not at the time.

21 Mr. Weitz. Was he there when you arrived in Louisville?

22 Mr. Hanman. I do not believe he was.

23 Mr. Weitz. How long did you wait before he came?

24 Mr. Hanman. I do not know. I don't think very long, because
25 I do not believe we were in the airport very long.

33.4 GARY HANMAN TESTIMONY, MAY 21, 1974,
SSC EXECUTIVE SESSION, 8, 13-14, 20

14

1 Mr. Weitz. Was he arriving by plane from somewhere else?

2 Mr. Hanman. Yes, that is my recollection.

3 Mr. Weitz. When he came what happened?

4 Mr. Hanman. When he came we sat down in the lobby right
5 out in the foyer of the little airport, the benches out there,
6 and talked to him about the Republican dinner that was coming
7 up and the fact that we wanted to attend it, we thought it would
8 look better if all three political action trusts bought tickets,
9 and if ADEPT were going to buy a significant amount of tickets
10 we would have to negotiate a loan. Generally, that was the jist
11 of the discussion.

12 Mr. Weitz. Negotiate a loan from SPACE or TAPE or both?

13 Mr. Hanman. Either one.

14 Mr. Weitz. How much was needed?

15 Mr. Hanman. As I recall, we were talking in the neighbor-
16 hood of \$40,000 or \$50,000.

17 Mr. Weitz. From ADEPT?

18 Mr. Hanman. Yes.

19 Mr. Hoecker. For ADEPT.

20 Mr. Weitz. So ADEPT could take the money and contribute
21 it?

22 Mr. Hanman. Yes.

23 Mr. Weitz. How much was contemplated that would be contri-
24 buted from the other two coops?

25 Mr. Hanman. I really do not know. I do not recall.

1 making a specific indication that he would make a contribution
2 from SPACE.

3 My impression of the discussion is that he was favorably
4 inclined to the proposition.

5 Mr. Weitz. Of making some contribution?

6 Mr. Hanman. Yes.

7 Mr. Weitz. Did he indicate that he had already decided or
8 that Morgan and he or John Moser, to make some contribution for
9 the dinner?

10 Mr. Hanman. I do not believe he did, no.

11 Mr. Weitz. Did he indicate how much he would be willing
12 to recommend that SPACE contribute to the dinner?

13 Mr. Hanman. Not that I recall.

14 Mr. Weitz. Did anyone indicate to him at the meeting the
15 timing or the urgency of the request -- that is, of the contri-
16 butions themselves?

17 Any deadlines that had to be met or any timetable to be
18 followed?

19 Mr. Hanman. My recollection is, we were talking to him
20 about going to the dinner and the dinner was the next day or the
21 next night. The idea was that we would go and we would have
22 dairy farmers attend from the three groups.

23 Mr. Weitz. ADEPT committee members did attend the dinner
24 did they not?

25 Mr. Hanman. Yes.

Pat Jennings
Clerk

Office of the Clerk
House of Representatives
Washington, D.C. 20515

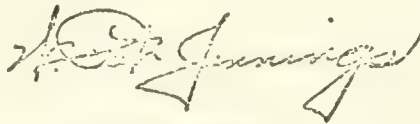
June 7, 1971

Mr. J. E. Mueller, Treasurer
Trust for Special Political Agricultural Community Ed.
506 Portland Federal Building
200 N. Broadway
Louisville, Kentucky 40202

Dear Sir:

This will acknowledge receipt of your statement of receipts and expenditures, as Treasurer of the above Committee, for the period ended May 31, 1971, filed in this office pursuant to the Federal Corrupt Practices Act of 1925.

Very truly yours,



W. PAT JENNINGS,

Clerk, U.S. House of Representatives.

Trust for

Special Political Agricultural Community Education

508 PORTLAND FEDERAL BLDG., 200 W. BROADWAY, LOUISVILLE, KY. 40202

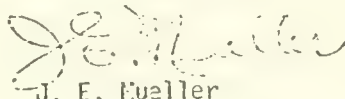
June 4, 1971

The Honorable W. Pat Jennings
Clerk, United States House of Representatives
Washington, D. C.

Dear Sir:

Enclosed please find a statement of receipts and disbursements by the Trust for Special Political Agricultural Community Education for the period beginning March 1, 1971 and ending May 31, 1971. The statement is submitted pursuant to Section 305 of the Federal Corrupt Practices Act of 1925, as amended.

Sincerely yours,



J. E. Mueller
Treasurer and Trustee
Trust for Special Political
Agricultural Community Education

JEM/me

Enclosure

10/29

STATEMENT FOR THE
TRUST FOR SPECIAL POLITICAL
AGRICULTURAL COMMUNITY EDUCATION
FOR THE PERIOD MARCH 1, 1971 TO MAY 31, 1971

1. The name and address of each person who has made a contribution to or for the Trust for Special Political Agricultural Community Education between March 1, 1971 and May 31, 1971 in one or more items of the aggregate amount or value of \$100 or more, together with the amount and date of such contribution.

NONE

2. The total sum of other contributions made to or for the Trust for Special Political Agricultural Community Education for the period March 1, 1971 to May 31, 1971.

\$39,324.39

3. The total sum of all contributions.

\$59,759.56

4. The name and address of each person to whom an expenditure between March 1, 1971 and May 31, 1971, in one or more items of the aggregate amount or value of \$10 or more has been made by or on behalf of the Trust for Special Political Agricultural Community Education, and the amount, date, and purpose of such expenditure.

SEE SEPARATE SCHEDULE ATTACHED HERETO

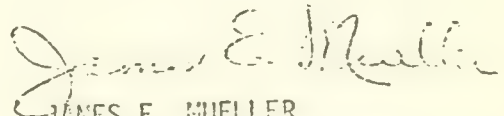
- 2 -

5. The total sum of other expenditures made by or on behalf of the Trust for Special Political Agricultural Community Education between March 1, 1971 and May 31, 1971.

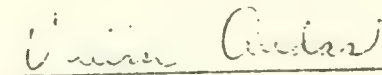
\$5,583.37

6. The total sum of expenditures made by or on behalf of the Trust for Special Political Agricultural Community Education.

\$42,583.37


JAMES E. MUELLER
Treasurer and Trustee

Subscribed and sworn to before me this 4th day of June, 1971.


Notary Public

Notary Public, Boone County, Ky.
June 4, 1971

33.5 SPACE REPORT TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, JUNE 4, 1971

ITEM NO. 4

STATEMENT OF TRUST FOR SPACE
PERIOD 3/17/71 TO 5/31/71

<u>DATE</u>	<u>NAME AND ADDRESS</u>	<u>PURPOSE OF EXPENDITURE</u>	<u>AMOUNT</u>
3/ 9		Campaign Contribution	\$ 1,000.00
3/24	Republican National Finance Operations Committee Eisenhower Center 310 First Street, S.E. Washington, D. C. 20001	Campaign Contribution	5,000.00
3/24	Republican National Candidates Conference Suite 0-145 Washington Hilton Hotel Washington, D. C. 20009	Campaign Contribution	5,000.00
3/24	Republican National Committee Eisenhower Center 310 First Street, S.E. Washington, D. C. 20001	Campaign Contribution	5,000.00
3/24	Republican National Finance Committee Eisenhower Center 310 First Street, S.E. Washington, D. C. 20001	Campaign Contribution	5,000.00
3/24	Republican National Association Congressional Hotel 300 New Jersey Avenue, S.E. Washington, D. C. 20001	Campaign Contribution	5,000.00
4/ 5		Campaign Contribution	2,500.00
5/ 7	Nickel-0-1 "72" Republican Dinner Committee 0-145 Washington Hilton Hotel Washington, D. C. 20009	Campaign Contribution	5,000.00
5/26		Tickets to Banquet Dinner	1,000.00

TOTAL

28,000.00

34. Kalmbach has testified that pursuant to a telephone call he received from Ehrlichman on March 23, 1971, Kalmbach met with Ehrlichman at 5:30 p.m. on March 24, 1971 and was told by Ehrlichman that he would be meeting with Chotiner later that evening to receive a reaffirmation of the \$2 million pledge. During the night of March 24, 1971, following the Republican fundraising dinner, Chotiner, Kalmbach and AMPI General Manager Nelson met in Washington, D.C. in Kalmbach's hotel room. Kalmbach has testified that Chotiner said that in view of the price support decision to be announced the next day the milk producers were reaffirming to Kalmbach their pledge of \$2 million to the 1972 campaign. Chotiner has stated that as a result of a conversation with Ehrlichman he met with Nelson and Kalmbach and discussed contributions but they did not discuss price supports or a definite amount to be contributed. Nelson has testified that they met and discussed contributions. Kalmbach has testified that on March 25, 1971 he reported to Ehrlichman that Chotiner and Nelson had reaffirmed their \$2 million pledge to the campaign.

	Page
34.1 Herbert Kalmbach testimony, SSC Executive Session, March 22, 1974, 59-62, 73-74.	729
34.2 Harold Nelson testimony, SSC Executive Session, December 18, 1973, 159, 191, 163-66.	735
34.3 Murray Chotiner interviews, SSC, December 7, 1973 and December 10, 1973, with accompanying affidavit submitted to the SSC.	741

	Page
34.4 Murray Chotiner deposition, <u>Nader v. Butz</u> , December 28, 1972, 23-26.*	751
34.5 Herbert Kalmbach deposition, <u>Nader v. Butz</u> , December 13, 1973, 55-56.*	755
34.6 Herbert Kalmbach testimony, SSC Executive Session, June 13, 1974, 7-14, Exhibit 2.*	757

bq 7

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1 talking with the Administration about this parity situation.
2 But I don't have an independent recollection of him doing --
3 recollection of him doing so.

4 However, I do have a recollection that following my
5 meeting with Mr. Chotiner and Mr. Nelson on the 25th --

6 Mr. Weitz. The meeting was on the 24th, and then follow-
7 ing that, you're saying on the 25th?

8 Mr. Kalmbach. Didn't I meet with Mr. Ehrlichman on the
9 day following that?

10 Mr. Weitz. Right.

11 Mr. Kalmbach. I think that at that meeting -- I think it
12 was on the 25th that I told Mr. Ehrlichman that Mr. Chotiner
13 and Mr. Nelson had reaffirmed their \$2 million pledge to the
14 campaign.

15 Mr. Weitz. Let's go, then, back to the night of the 24th.

16 Mr. Kalmbach. Yes.

17 Mr. Weitz. Could you tell us, after the dinner, what
18 happened?

19 Where did you go and how you happened to meet with them?

20 Mr. Kalmbach. Well, I remember I met them in the lobby
21 of the Madison Hotel around 10:00 or 10:30, and we then went
22 up to my room and after some preliminary conversation I was
23 informed, I think it was by Mr. Chotiner, that he had been
24 talking to Mr. Ehrlichman and that -- it's my best memory that
25 I was informed that there was going to be an announcement on the

1 price support the following day. And in view of that, that
2 Mr. Ehrlichman had asked Mr. Chotiner to talk to me and re-
3 affirm to me that the milk people would reaffirm their pledge
4 of \$2 million to the 1972 campaign.

5 Mr. Weitz. You mentioned preliminary conversations. Was
6 there anything substantive, or was it just pleasantries?

7 Mr. Kalmbach. Just pleasantries.

8 Mr. Weitz. You also already -- you already knew Mr.
9 Chotiner and already met with Mr. Nelson, prior to that time?

10 Mr. Kalmbach. Right.

11 Mr. Weitz. Was there any reference by anyone at that
12 meeting to Mr. Harrison -- Marion Harrison?

13 Mr. Kalmbach. I don't recall that there was.

14 Mr. Weitz. What about Pat Hillings?

15 Mr. Kalmbach. I don't recall. There could well have
16 been, but I don't have the recollection of it.

17 Mr. Weitz. Was there any reference to any bad feelings
18 or any disruption in communications between the Harrison law
19 firm, of which Chotiner was of counsel at that point, and the
20 White House or Mr. Colson?

21 Mr. Kalmbach. I think there was, as I think about it.
22 I think there was probably a statement of some displeasure at
23 the breakdown in mechanics in setting up committees and the
24 whole organizational approach.

25 And now, I'm not certain as to this point, but for some

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1 reason I have that feeling.

2 Mr. Weitz. Did anything go more to the substance of
3 relations between -- as a personal matter, for example --
4 between the Harrison law firm and/or Mr. Harrison, personally,
5 and Mr. Colson?

6 Mr. Kalmbach. No, I don't recall that it did, Mr. Weitz.
7 And I say I'm doing my very best to remember what, in fact,
8 did happen. But to me the main, and almost sole, purpose of
9 that meeting was the reaffirmation of the \$2 million pledge
10 and the fact that they told me that the price support decision
11 was to be announced the next day and that in view of that fact
12 and in view of the fact that Mr. Ehrlichman had asked Mr.
13 Chotiner to make sure that I was informed of this reaffirmation,
14 that they were in fact reaffirming the \$2 million pledge to
15 the campaign.

16 Mr. Weitz. At that time was there -- or shortly there-
17 after -- was there any discussion of any further details with
18 respect to the \$2 million pledge?

19 That is, any breakdown as to timetable of amounts?

20 Mr. Kalmbach. On that point I think --

21 (Pause)

22 Mr. Weitz. I'm sorry, I believe you were going to answer
23 my question with respect to any details or timetable as to --

24 Mr. Kalmbach. I have a recollection that at some point
25 I was informed that there was a kind of a monthly goal figure

1 of \$90,000.00 a month to be received by the campaign.

2 Now, when that actually was made known to me, I don't
3 know, and I've done my darndest to try to recall it but I
4 can't place it in the time frame.

5 Mr. Weitz. Do you place it, for example, or, although
6 you can't place it specifically, do you think that it related
7 to a time period following your meeting on the night of the
8 24th?

9 Mr. Kalmbach. I just cannot place it.

10 Mr. Weitz. But you have no recollection that at the
11 meeting on the 24th, or during the period of March, 1971,
12 for example, the dairy people were in any way delinquent on
13 a monthly commitment if such a commitment was made?

14 For example, in your discussions with either Mr. Chotiner
15 or Mr. Ehrlichman?

16 Mr. Kalmbach. Very possibly, and what would cause me to
17 think that might well be the case is that I think if you
18 divide \$90,000.00 into \$2 million, you can find the number of
19 months that are involved. And it could well have been that.
20 And I remember it so well now, that the -- Gordon Strachan
21 talking to me about the fact that Marion Harrison and the others
22 were oftentimes, I think -- had checks in hand, but there were
23 no committees established to which these checks could be
24 routed.

25 And it very possibly could be, Mr. Weitz, that this

1 have a number of questions on that meeting and subsequent
2 meetings -- Mr. Sanders, do you have questions as to 1971?

3 Mr. Sanders. Yes.

4 This pertains to your March 24th meeting with Nelson and
5 Chotiner. Today, in telling us of this..you made mention of
6 some remark at that meeting about a price announcement to be
7 made the next day.

8 Mr. Kalmbach. Yes.

9 Mr. Sanders. Can you explain that for me?

10 Mr. Kalmbach. I think as I remember it, that Mr. Chotiner,
11 in telling me of the fact that Mr. Ehrlichman had asked him to
12 advise me or relay to me the fact that they were reaffirming
13 their pledge of \$2 million in contributions to the 1972
14 campaign, that this was that Mr. Chotiner also indicated,
15 along with Mr. Nelson, an announcement as to the price support
16 or parity problem.

17 There was to be an announcement the next day and this was,
18 in fact, linked to this reaffirmation of the \$2 million pledge,
19 or that is the way that I so understood it from that conversa-
20 tion.

21 Mr. Sanders. Did it appear to you that Nelson knew before
22 the meeting with you that there was to be a public announce-
23 ment the next day, of the price support?

24 Mr. Kalmbach. My memory would be that I did understand
25 that.

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1 Mr. Sanders. Did they give you any perception of how they
2 knew there was to be an announcement?

3 Mr. Kalmbach. No, I just, I'm not certain of that. I know
4 that Mr. Chotiner had said that he had talked to Mr. Ehrlichman,
5 and that Mr. Ehrlichman had asked him to advise me what evidently
6 he had advised Mr. Ehrlichman, that the \$2 million pledge was
7 being reaffirmed.

8 Mr. Sanders. You've just now said that the reaffirmation
9 of the \$2 million pledge was linked to this price announcement?

10 Mr. Kalmbach. That is correct.

11 Mr. Sanders. Would you be able to elaborate on the
12 phraseology of Chotiner or Nelson as to how they were linked?

13 Mr. Kalmbach. No. I think the words were to the effect
14 that Murray Chotiner had indicated that John Ehrlichman had
15 asked him to see me and reaffirm this \$2 million pledge, and
16 I think, as I remember it, he was saying that this was in view
17 of the fact that the announcement was to be made the following
18 day that he was reaffirming the pledge, and that's the linkage
19 that I recall on it.

20 Mr. Sanders. That's all I have.

21 Mr. Weitz. Returning to 1972, you've described just a
22 moment ago a meeting that you had with Mr. Jacobsen, you believe
23 in the middle or first part of January 1972?

24 Mr. Kalmbach. Yes.

25 Mr. Weitz. Was Mr. Nelson in attendance at that meeting?

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Mr. Weitz. How did you come to be sitting with Mr. Chotiner in the lobby of the Madison Hotel?

Mr. Nelson. He called, and I cannot tell you when; either he -- I do not want to say he called. It might have been Mr. Harrison. It was either Mr. Harrison or Mr. Chotiner called me, and asked me to meet them there, because Mr. Kalmbach was going to be there.

Mr. Weitz. You say he called you. Did you attend the dinner that evening?

Mr. Nelson. Yes, sir.

Mr. Weitz. And did Mr. Chotiner attend that dinner?

Mr. Nelson. I have been told that Mr. Chotiner did attend the dinner. I do not remember him being at the dinner.

Mr. Weitz. Did Mr. Harrison attend the dinner?

Mr. Nelson. Yes, as I recall, he did.

Mr. Weitz. And how soon after the dinner did you meet with Mr. Chotiner in the lobby of the Madison Hotel?

Mr. Nelson. Well, I would say right after the dinner.

Mr. Weitz. So did he call you, or did he in fact not tell you at the end of the dinner to meet him in the lobby of the Madison Hotel?

Mr. Nelson. I think it was before. I think it was even before we ever went to the dinner, that he either called me or Mr. Harrison told me. I do not really remember what time. I do not remember talking to him at all at the dinner.

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the time Mr. Chotiner left the White House that you talked to Mr. Chotiner about the milk question without Mr. Harrison being present?

Mr. Nelson. I do not believe so. I do not believe -- I do not believe we did.

Mr. Weitz. Now, did either Mr. Harrison [sic] or Mr. Chotiner, whoever told you to meet Mr. Chotiner in the lobby, tell you why you were to meet with him, and ultimately Mr. Kalmbach?

Mr. Nelson. It seems, and I could be wrong about this. It seems to me we were going to meet with Mr. Kalmbach to get -- that Mr. Chotiner was going to get Mr. Kalmbach to produce the committees.

Mr. Weitz. These are the same committees you had asked for the year before?

Mr. Nelson. It is a continuing thing.

Mr. Weitz. Why was Mr. Chotiner going to intervene at this point?

Mr. Nelson. Well, I guess because he thought he could get the job done, and no one else had succeeded up to that point in really getting it done.

Mr. Weitz. And he was to meet with you and Mr. Kalmbach to make sure that Mr. Kalmbach obtained the committees, produced the committee for you?

Mr. Nelson. That is my recollection of it.

Mr. Weitz. Was Mr. Colson in any way mentioned with respect

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room all of the time.

Mr. Weitz. Why then did -- did you wake him, and did you meet with him ultimately?

Mr. Nelson. Yes, we went upstairs.

Mr. Weitz. Why did you decide to? Why did you and Mr. Chotiner decide to meet with him if he already was in bed and asleep and so forth, and it was way past 12:00 o'clock?

Mr. Nelson. You know, I do not really recall why. If I could talk to Mr. Chotiner and find out, I would be glad to tell you. I just do not recall right at the moment why that was, but he was in his pajamas.

Mr. Weitz. Did Mr. Kalmbach, from the conversation on the phone and then ultimately in the meeting in his room, indicate that he understood or knew ahead of time that you and Mr. Chotiner had come to meet with him?

Mr. Nelson. Yes.

Mr. Weitz. Was he expecting your visit?

Mr. Nelson. Yes, he was apologetic over the mix-up.

Mr. Weitz. Do you recall what the purpose of the meeting was?

Mr. Nelson. No, it seemed to me that it was to get the committees, that he was going to see that we got committees.

Mr. Weitz. Did you have any contributions to make that evening, or any checks to deliver?

Mr. Nelson. I am not certain about that. I do not want

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to say that I did, because I want to check and see. I do not really recall that I did. I would have to check and see whether or not I did do that, because I do not know.

I do not want to say that I did unless I check on it and find out that I actually had some checks, but Kalmbach was expecting us. That was obvious. There was not any question.

Mr. Weitz. What happened when you arrived in his room?

Mr. Nelson. I would say we were not in there ten minutes.

Mr. Weitz. And what was said, if you can follow along as closely as you recall?

Mr. Nelson. You see, I had forgotten all about this thing until they started pressing me about what did you -- actually, they were asking me, did I leave there and go to a meeting and so forth. I said, no, I did not leave and go to any meeting and so forth.

Then I ran it through and I said, what I did was met Murray Chotiner down stairs in the hotel lobby. So I cannot tell you exactly what went on in that room when we got up there. It was -- my recollection of it is that he put it on him about getting names of the committees, and he said he would.

Mr. Weitz. Mr. Chotiner to Mr. Kalmbach?

Mr. Nelson. Yes.

Mr. Weitz. Was Mr. Harrison mentioned at all or Mr. Hillings?

Mr. Nelson. In that, no, not that I recall. They were

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not there.

Mr. Weitz. And there was no reference to them?

Mr. Nelson. Not that I recall, no.

Mr. Weitz. What did Mr. Kalmbach say?

Mr. Nelson. Well, Mr. Kalmbach had just been awakened, and he is not a very verbose guy to start with, and he did not have a whole lot to say.

Mr. Weitz. Well, you had made this request before to him a number of times?

Mr. Nelson. Yes, sir. I sure had.

Mr. Weitz. Did he appear irritated, or did he wonder at why he had to be awakened at after 12:00 o'clock that night to be told of a request that had been made to him once before?

Mr. Nelson. He had already been told on the phone when Chotiner got him downstairs, you know, he was exorcised about the fact that we had been waiting. Well Kalmbach obviously had been there all the time, so he was not remiss in any way.

Mr. Weitz. Why were you present? Why did you have to be present for this if Mr. Chotiner was brought in to see what he could do about obtaining committees?

Why did not you just call Mr. Kalmbach directly?

Mr. Nelson. Well, I do not know why.

Mr. Weitz. Did you say anything during the meeting?

Mr. Nelson. Oh, I am sure I did.

Mr. Weitz. Do you recall what you said, or the substance

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of what you said?

Mr. Nelson. Well, I am sure the substance of what I said was to agree to whatever arrangement they made between themselves as to how we would make payments.

Mr. Weitz. Was there any reference to governmental policies or representation of AMPI in governmental action?

Mr. Nelson. You mean by Kalmbach?

Mr. Weitz. By Chotiner, Kalmbach or anyone else.

Mr. Nelson. Well, I am not following your question.

Mr. Weitz. Well, all right. Let me go at it this way.

Is there anything else that was said with respect to contributions or committees?

Mr. Nelson. Not that I recall.

Mr. Weitz. Was anything else said at the meeting?

Mr. Nelson. That was all that was discussed, as far as I remember, was about contributions.

Mr. Weitz. And then you left Mr. Kalmbach's room?

Mr. Nelson. Yes, sir, but then I cannot remember a specific time, but it seems to me it was about 2:30 or 3:00 o'clock; by then, it was very late, I will tell you. I will put it that way.

Mr. Weitz. Where did Mr. Chotiner go after the meeting?

Mr. Nelson. Where did he go? I do not know.

Mr. Weitz. He left the hotel? He left your presence?

Mr. Nelson. We went -- yes. As I recall, we went back

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M E M O R A N D U M

To: File
From: Donald G. Sanders
Date: December 7, 1973
Subj: Murray Chotiner Interview
Milk Fund

Murray Chotiner was interviewed today in his office at 1701 Pennsylvania Avenue, Washington, D.C., telephone 298-9030. Attending were Donald G. Sanders, Alan Weitz, and Chotiner.

From January 1970 to March 1971, Chotiner was Special Counsel to the President. Previously, he was General Counsel to the Special Representative for Trade Negotiations in the White House. In March 1971, he became of counsel for Reeves & Harrison.

Chotiner said his first contact with the milk industry was in 1970 at which time he met Parr and Nelson. He was introduced by Harrison. He learned the dairy people were going to assist the 1970 candidates. Harrison knew that Chotiner was serving as the White House liaison with the 1970 candidates. Chotiner thinks Parr and Nelson may have been on their way to see Harry Dent in an adjoining office. Chotiner didn't discuss with them any details of the contributions. Chotiner knew that Colson had responsibility for groups and organizations.

Chotiner was not a party to any meetings in late 1970 between the dairy people and Colson and associates. Harrison told Chotiner recently that Parr and Nelson met with Colson (Harrison didn't attend), at which time Parr was supposed to have said that dairy farmers were not being treated properly; that they were for the President and wanted to help him. There was also talk of \$1,000,000 or \$2,000,000 to be contributed to the campaign. Parr told Harrison of this talk. Parr said Colson said there couldn't be any quid pro quo.

In 1971-1972, Colson showed Chotiner the Hillings letter which he had in his safe. Chotiner was probably talking to Colson about the milk industry troubles with the Department of Agriculture. One trouble was the milk products imports, and one must have been the milk price

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support. This was at a time when Chotiner was back in private practice. He doesn't keep a calendar or log which would show meetings with Colson. Chotiner has only met with him a few times since leaving the White House. Most of Chotiner's clients are retainers--doesn't bill on a time basis.

Chotiner was shocked at Hillings' letter--thought it was crass. Hillings has said that he never intended for the President to see it; that he felt it was necessary as the dairy people were getting kicked in the pants.

Aside from the Parr and Hillings statements, Chotiner doesn't know of any specific amount of money to be given by the dairy industry.

Colson once told Chotiner that he wanted to disassociate himself from any further contact with the dairy industry--based on Hillings' letter. Chotiner recalled that Harrison said he had toned down the Hillings' letter. Chotiner didn't know what was meant by "special project," and when he asked Harrison what was meant by this, Harrison said he didn't recall. Chotiner didn't talk with Hillings about the letter.

Shortly after joining Reeves and Harrison in March 1971, Chotiner did tell people in the Government that the milk support level should be increased. He left the White House on March 6, 1971. After the Secretary of Agriculture decision on March 12, Chotiner talked with Ehrlichman (Gridiron Dinner), Whitaker, Colson, Cashen. Separately, but in substance, he told them the Republicans usually carry the Midwest, but they need the farm vote to do it, that they need the Midwest to carry the election. He commented that nearly every prominent Democrat had sponsored legislation to raise support. If the price is going up, he said it was stupid to let the Democrats get the credit for it.

Chotiner was not sure that he knew of trust funds at this time.

He knew the dairy folks bought one or two tables at the Republican fundraiser on March 24, 1971.

Chotiner recalled talking with Harrison about the appearance that the milk people didn't want to buy any tickets for the dinner--he told Harrison he thought they should buy some. He didn't talk with anyone else about this.

After the dinner, Chotiner did talk with Nelson. He said if they wanted to make a contribution, Harrison would let them know to whom to give it. Kalmbach was also present; it was at the Madison Hotel.

There was some annoyance or conflict between Colson and Harrison. Therefore, Chotiner was asked to serve as liaison between the dairy people and the Government. He was asked by Ehrlichman (or someone in his behalf). Chotiner was going to California, and was asked to stay for

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34.3 MURRAY CHOTINER SSC INTERVIEW, DECEMBER 7, 1973

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a meeting. After dinner, Chotiner met Nelson in the lobby, called Kalmbach's room, and met in his room (he had been in bed.) Chotiner told them he would act as dairy liaison with the Government for their problems, and Harrison would continue to serve as dairy counsel. Chotiner said nothing else of significance was discussed at this meeting.

Chotiner told Nelson that Harrison would provide names of committees for any contribution the dairy industry might make. Chotiner said Harrison would be in touch with them. Kalmbach didn't say much. There was not discussion of price support or definite amounts to be contributed.

Chotiner speculated that the only reason Harrison couldn't have met with Nelson and Kalmbach as well as Chotiner was because of the friction between Colson and Harrison. Chotiner did not know why it was so important to have the meeting that night so as to cause him to postpone a trip.

When asked how he knew that Harrison would serve to tell Nelson how the contributions were to be made, Chotiner said it was just based on the fact that Harrison was counsel for AMPI.

Chotiner saw Colson on March 23. He didn't recall if that is when he learned of Hillings' letter or the bad rapport with Harrison.

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United States Senate

SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
(PURSUANT TO S. RES. 40, 910 CONGRESS)
WASHINGTON, D.C. 20510

MEMORANDUM

TO: FILE

FROM: ALAN WEITZ

DATE: DECEMBER 10, 1973 (RETYPE FEBRUARY 13, 1974)

SUBJECT: SECOND CHOTINER INTERVIEW

Today, Dave Dorsen, Dennis Summers, Bob Silverstein and I continued our interview with Murray Chotiner.

1. March 24, 1971

Colson was "uptight" and annoyed with Marion Harrison and Pat Hillings. He had told this to Chotiner even before he left the White House, (Colson and Chotiner were 2 of 4 special counsel) and again when Chotiner saw Colson twice on the 23rd (9 or 9:30 A.M. and 6 P.M.) Colson may even have shown the Hillings letter to Chotiner on the 23rd. (Between the 6th and the 24th, Chotiner also had one meeting in San Antonio with Harrison, Hillings and the client.)

On the evening of the 24th at the Republican fund-raising dinner, Ehrlichman (or one of his staff) told Chotiner that Colson was uptight and annoyed and that he didn't want to have anything to do with dairy people if they represented them. Ehrlichman then asked Chotiner if he would take over as liaison for the dairy people on quotas, price supports and other government matters. Chotiner replied that, since he was Of Counsel and the dairy people were Harrison's clients, he couldn't take over, but he would help. Ehrlichman also asked if he could meet with the milk people, in Kalmbach's presence, to tell them so. Chotiner said he couldn't the

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next day since he had plans to fly out to California. Ehrlichman then suggested that they meet that night. So, at the dinner, Chotiner told Nelson "let's get together with Kalmbach to talk about the milk decision" and then he talked briefly to Kalmbach to get his room number in the Madison Hotel. Chotiner also informed Harrison. Chotiner hasn't talked to Ehrlichman about this since then.

Chotiner explained that it would have been unseemly for a government official to have been present when Chotiner told Nelson of the change in representation, but that Kalmbach lent greater credence to it.

Chotiner said Ehrlichman did not mention the price decision or contributions. Chotiner says that he didn't learn of the Administration decision until it was publicly announced on the 25th. The dairy people were very happy after the meeting with the President.

Chotiner went to the Madison Hotel after the dinner and called Kalmbach's room but couldn't reach Kalmbach. Nelson arrived and after waiting for some time, he and Chotiner realized they had been calling the wrong number. ~~They then reached Kalmbach and went up to his room. Since the dinner ended around 11 P.M., and they waited a half hour or so, it was 11:30 or midnight when they finally met with Kalmbach.~~

It appeared to Chotiner that Nelson and Kalmbach already knew each other. At the meeting, Chotiner said:

"Harold, it's no criticism of Marion or Pat; maybe they don't like the way they comb their hair, but there's bad feeling between Colson and Marion and Pat. So they want me to represent you in dairy matters unless you object."

Nelson: "O.K." (He seemed to have heard about it before; in fact he never asked about Harrison's absence from the meeting.)

Chotiner: "Herb, is that your understanding?"

Kalmbach: "Yes."

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Nelson: "We had a satisfactory meeting with the President and we appreciate it. We contribute to both Democrats and Republicans. If we want to contribute to Republicans, how should we do so?"

Chotiner: "Harrison is still your attorney for such matters, and he'll give you the names of committees."

Chotiner does not recall any further discussion; he and Nelson then left Kalmbach's room. Chotiner went home and the next day (the 25th) he left for California.

Chotiner says that he assumed the contributions would be substantial, although he didn't know the specific amount. Chotiner does not believe there was any specific reference at the meeting to substantive issues.

After the meeting, he informed Harrison, but he never talked to Colson about it. After Chotiner met with Colson once or twice, Mitchell called Chotiner (in April or shortly after returning from California) to tell him that signals had been changed and Harrison was again acceptable as representative of the dairy people vis-a-vis Colson. Chotiner told Harrison, and Harrison didn't seem surprised. Nonetheless, Harrison continued to deal primarily with Cashen, and Chotiner with Colson.

Chotiner knows of no dairy contacts with Connally.

2. 1971 Contributions

Chotiner doesn't remember telling Harrison, after the March 24 meeting, about the contributions discussed by Nelson at the meeting. At some point, (Chotiner thinks more than a week after the 24th), Harrison showed Chotiner some of the "silly" names of committees. Chotiner remembers names of only some committees, of the 100, being provided at first to Harrison and the dairy people.

Chotiner wasn't directly involved in the contributions. However, in the summer of 1971, Harrison went to Europe. Before he left, he told Chotiner that the contributions were not coming in as anticipated. Chotiner confirmed this by calling FCRP, and called Dave Parr who said he wasn't sure he had all the names of the committees. So Chotiner

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had Harrison's secretary send a list of the 100 committees to Parr, marked to indicate committee names already sent to the dairy people by Harrison. Chotiner had some idea that the contributions were being coordinated among the three dairy co-ops. When the checks came in to Chotiner, he merely had a secretary take them to FCRP. After August, 1971, he had no further participation in the contributions.

2. A. 1972 Solicitations

Only recently did he hear from Harrison of AMPI meetings with Kalmbach in 1972. Chotiner says he had no contemporaneous knowledge of such meetings or of any further solicitations.

3. Ellsberg Break-In

Sometime in 1971, Colson asked Chotiner if the dairy people wanted to give \$5000 to another committee, for some work or project. Chotiner passed the information on to Harrison, without ever knowing any details.

Chotiner cannot explain why Harrison thinks Colson called Harrison directly. Chotiner told us that Colson may have called Chotiner who told Harrison who, in turn, called either Colson or Cashen.

Chotiner says that Harrison once told him that someone (presumably Colson) "over there" (in the White House) had suggested that AMPI hire Wagner and Baroody for public relations work. Chotiner knows nothing further except that he thinks they were retained. He thinks they needed public relations work to help their image.

4. Antitrust Suit

Harrison told Chotiner about the Justice Department antitrust suit against AMPI, after it was filed. Chotiner may have talked to Colson about it. The key objection by AMPI was that there had been no 30 or 60 day pre-filing negotiation period. Harrison and Chotiner decided to wait until the new antitrust chief was named before pursuing it. (Chotiner got the impression from Harrison that McLaren was responsible for filing the suit just prior to his leaving the Department.) But the next night, after the Harrison-Chotiner conversation,

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Chotiner saw Mitchell at a party. Chotiner took the opportunity to tell Mitchell that AMPI should be treated like any other defendant in the up-coming post-filing negotiations. He says Mitchell didn't respond.

Chotiner was first shown the Harrison letters (attached) last week, and he was upset. He says that, contrary to the implication of the March 25 letter to Mehren, they did not discuss talking to Kleindienst, but only to McLaren's successor. Although Chotiner never again talked to Mitchell about the suit, he understands Harrison did later talk to Kleindienst. (Chotiner once talked to Bruce Wilson about an unrelated matter.)

In 1972, AMPI fired Reeves & Harrison because the firm was not getting a good response from the Administration.

5. FCRP

Chotiner was in charge of ballot security in the President's 1972 campaign. He was reimbursed for his expenses and for the money he paid to reporters. When he left the White House, he received money from Kalmbach for part of his secretarial and phone expense (but never his rent at Reeves & Harrison.) AMPI paid for part of his secretary's furnishings; he always paid for his rent (\$625 per month) out of his monthly payment from the firm.

SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES

AFFIDAVIT

District of Columbia
City of Washington

I, Alan S. Weitz, a resident of Washington, D.C., being duly sworn, hereby depose and say as follows:

1. I have been assistant counsel to the Senate Select Committee on Presidential Campaign Activities from September 24, 1973 to the present.

2. In the course of the Committee's investigation, Mr. Donald Sanders, Deputy Minority Counsel, and I interviewed Mr. Murray Chotiner on December 7, 1973, and Mr. David Dorsen (Assistant Chief Counsel), Mr. Dennis Summers (Assistant Counsel), Mr. Robert Silverstein (Assistant Minority Counsel) and I interviewed Mr. Chotiner, again, on December 10, 1973. On the day of the first interview, Mr. Sanders wrote a memorandum summarizing the substance of the interview. On the day of the second interview, I wrote a memorandum summarizing the substance of the interview.

3. On January 24, 1974, Mr. Dorsen advised me that he had telephoned Mr. Chotiner's office to arrange to obtain sworn testimony in executive session before the Committee on the subjects of the interviews, and was advised by Mr. Chotiner's secretary that he had been in a serious automobile accident the preceding day. Mr. Chotiner died on January 30, 1974.

4. I am executing this affidavit in order to preserve, in the most reliable form, the substance of Mr. Chotiner's account related to us of relevant events. To this end,
(1) Mr. Sanders and I reviewed the December 7, 1973 memorandum;
(2) I caused my December 10, 1973 memorandum to be retyped on Committee letterhead stationery to correct any typographical errors, to spell out certain names and to rewrite certain cryptically-phrased sentences in the original December 10 memorandum. I did not alter the substance of the earlier memorandum; and (3) I showed the retyped December 10 memorandum to Messrs. Dorsen, Summers and Silverstein.

5. Mr. Sanders and I agree that the December 7 Sanders memorandum is a true and accurate account of the substance of the December 7 interview with Mr. Chotiner. Messrs. Dorsen, Summers, and Silverstein and I agree that the retyped December 10 memorandum is a true and accurate account of the substance of the interview with Mr. Chotiner of that date.

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34.3 ALAN WEITZ AFFIDAVIT ACCOMPANYING MURRAY CHOTINER
SSC INTERVIEWS, FEBRUARY 27, 1974

Affidavit
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6. Attached to this Affidavit are the following:

Exhibit A: copy of the December 7, 1973 memorandum from Donald G. Sanders to the File re: Murray Chotiner Interview;

Exhibit B: the retyped December 10, 1973 memorandum from Alan Weitz to the File re: Second Chotiner Interview.

Alan S. Weitz
Alan S. Weitz

Subscribed and sworn to before me
this 27th day of February, 1974.

Marie Geneau
Notary Public

My Commission Expires 10/31/78.



MR. GOLDBLOOM: No further questions.

MR. DOBROVIR: Let me follow up.

FURTHER EXAMINATION BY COUNSEL FOR THE PLAINTIFFS

BY MR. DOBROVIR:

Q In your conversations with Messrs. Ehrlichman, Colson, Whittaker and/or Cashin, was the question of political support in terms of votes in the election from farmers discussed?

A Oh, I undoubtedly must have made a remark as to the effect that if you hurt the farmers, you can't expect to get their support, whereas if you help the farmers, you probably have a good chance of getting their support.

As I said, the farm states normally support Republican Administrations.

It may follow if you -- that you don't kick a person in the shins and expect him to say thank you.

Q In your conversations with the dairy people with respect to campaign contributions, was there any discussion of the fact that caused this decision to come out favorably after all that the dairy farmers should support with contributions to the Nixon campaign?

A I don't understand your question.

If I understand it correctly, I resent the question.

Under no circumstances, under no conditions would I talk to any dairy person or anyone else along the lines of their making a campaign contribution in return for any favorable action that may have been extended toward that individual or group.

The answer is unequivocally no.

Q You testified the first time you talked to anybody from the dairy groups about political campaign contributions was March 24th with Mr. Nelson.

I had earlier asked whether -- or what was the first time you heard the dairy groups wished to make political contributions.

I would like to ask you whether that was the first time you heard from anyone from the dairy groups that they wanted to make political contributions?

A The way the question was worded before, I don't think that was the answer that applied to that.

I had known before that there was going to be a dinner coming up, and Mr. Harrison had talked to me about the possibility of tables that would be purchased.

Now, from that standpoint, if you are referring to political contributions, yes, I had heard of the possibility before the night of the dinner.

5 Q That was the only information you had before the
night of the dinner about political contributions from the
dairy industry?

 A To the best of my recollection, yes.

MR. DOBROVIR: No further questions.

MR. GOLDBLOOM: No questions.

MR. HARRISON: No questions.

(Witness excused.)

(Whereupon, at 10:35 o'clock, a.m., the taking of
the deposition was concluded.)

- - -

I have read the foregoing 25 pages, which contain a correct transcript of the answers made by me to the questions therein recorded.


Murray M. Chotiner

Subscribed and sworn to before me this 11th
day of January, 1973.


Notary Public

My commission expires March 31, 1974.

1 Q Was it your impression that they had forgotton
2 about it?

3 A Well, I don't know. I just don't have that
4 impression. I don't remember that anyone ever did.

5 Q Is that unusual in the field of political fund-
6 raising for someone never to mention that he had made a big
7 gift a year or two before?

8 A Well, in any experience, and, of course, my
9 experience has been largely almost exclusively with individuals;
10 and most of them, when they make a gift, they aren't reminding
11 people all the time that they made a gift.

12 If it comes up and somebody questions them or
13 something, they will say it; but I didn't have the feeling and
14 have never had the feeling that someone is always reminding
15 people of it.

16 Usually people make a gift and they are glad to
17 make the gift and that is it.

18 Q On March 25th, that lunch with Mr. Ehrlichman, if
19 you can recall, did he happen to mention anything about dairy
20 farmers? Did he mention, for example, that there had been a
21 big meeting with a whole lot of dairy farmers the day before
22 with the President?

23 A I remember nothing of that sort.

24 Q So, it is your testimony that at that time you
25 were totally unaware of the pendency of any price support
26 matter as related to your fund-raising activities?

27 A I was unaware, and I remember -- I have no memory
28 at all, Mr. Dobrovir, of being aware of pending price support,

1 increases, or whatever.

2 Q Now, you read a little earlier this Exhibit
3 number 34-26 in Book 3 of the Senate Watergate Committee
4 Hearings, and on pages 1228 and 1229 this memorandum quotes
5 Dean as saying, "Evans, Nunn and Sloan have raised the surplus
6 funds;" and then Haldeman is quoted as saying, "forget this.
7 No. The surplus funds are not to go into 1701. There is no
8 need for cash in the 1701."

9 Do you know what refers to?

10 A Yes.

11 Q Could you explain that, please?

12 A The surplus funds were the funds that I held in
13 trust, surplus from the 1968 campaign. Bob Haldeman had the
14 absolute direction as to those funds, and he is saying there
15 what he said to me several times; and that is that these funds
16 are to be disbursed only on his direction or on the direction of
17 the people ~~staying~~ ^{standing} on his stead; that these funds were not to
18 be disbursed by me in support of the 1701 Re-election Campaign
19 Program, other than as personally authorized by him. And he
20 simply is stating what I've just said.

21 Q Why doesn't he want it to go into 1701? What is
22 that?

23 A 1701, Mr. Dobrovir, was the Committee for the Re-
24 election of the President. It was the campaign organization
25 at 1701 Pennsylvania Avenue.

26 It's my memory that he wanted the campaign organiz-
27 ation to raise funds and support its activities through finance
28 efforts; and without ~~use with~~ ^{using} the surplus funds that had been

1 campaigns in 1970.

2 And then, in my letter to then Secretary Stans, I simply
3 reflected that understanding in that letter.

4 Mr. Weitz. Now, in your continuing search for documents
5 relative to the testimony, since your last appearance here,
6 have you also uncovered another document which appears to be
7 an itinerary for several days in March, 1971?

8 Mr. Kalmbach. I did.

9 Mr. Weitz. I will mark -- let me show you this first
10 and ask if this is a copy of this itinerary which you found.

11 Mr. Kalmbach. It is.

12 Mr. Weitz. Let me mark it as Exhibit 2 to your testimony.

13 (Executive Session Exhibit 2,
14 Herbert Kalmbach, was
15 marked for identification.)

16 Mr. Weitz. Let me ask you, can you tell us the
17 circumstances of your finding this document?

18 Mr. Kalmbach. The circumstances are the same as I
19 related relative to my finding the letter to Mr. Stans which
20 pertained and had reference to Mr. Mulcahy's pledge to the
21 Republican National Finance Committee programs in 1969-1970.

22 Mr. Weitz. All right. Now, I would like to direct your
23 attention to page 2 of the document, at the bottom.

24 First let me ask you, do you recall when this document,
25 the original of the document was prepared?

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1 Mr. Kalmbach. I do not recall with particularity when
2 it was prepared; but it would be my impression and clear under-
3 standing that it was prepared, probably, on the 23rd of March,
4 1971 immediately prior to the time that I left for the flight
5 to Washington which was early in the morning of the 24th of
6 March, 1971.

7 Mr. Weitz. The itinerary, Exhibit 2, indicates that
8 on Wednesday, March 24, 1971, you were to depart from Los Angeles
9 at 8:30 in the morning. Did you take that flight and leave at
10 8:30 in the morning, or approximately 8:30 from Los Angeles?

11 Mr. Kalmbach. I'm certain that I did.

12 Mr. Weitz. Did you go to your office first that day,
13 or did you go to the airport directly from your home?

14 Mr. Kalmbach. I have no clear recollection of that,
15 although my impression would be that, inasmuch as it is an
16 ~~hour~~, or an hour and-a-half drive from my home to the airport
17 in Los Angeles, that most likely I did not go to the office
18 but directly from my home, leaving perhaps at 6:30 in the
19 morning, to get to Los Angeles Airport by 8 o'clock preparatory
20 to my flight at 8:30.

21 Mr. Weitz. And did you take a copy of the written
22 agenda, itinerary with you on that trip?

23 Mr. Kalmbach. Yes, I would think that I certainly did.

24 Mr. Weitz. That was the purpose of having it prepared,
25 for your trip.

1 Mr. Kalmbach. That is correct.

2 Mr. Weitz. Who was your secretary at that time?

3 Mr. Kalmbach. Mrs. Annette Harvey.

4 Mr. Weitz. And was she as a custom arriving at the
5 office as early as 6, or 6:30 in the morning?

6 Mr. Kalmbach. No, and that is the reason that I feel
7 that this was prepared on the 23rd, and I received it on the
8 23rd, preparatory to my leaving early on the 24th.

9 Mr. Weitz. Now, on page 2, at the bottom of the document
10 it refers to, or indicates in capital letters "HWK/ah"; and
11 beneath that, "3/24/71". Now, the "HWK" refers to you, is that
12 correct?

13 Mr. Kalmbach. That is correct.

14 Mr. Weitz. And the "ah" to your secretary, Mrs. Harvey.

15 Mr. Kalmbach. That is correct.

16 Mr. Weitz. Now, the "3/24/71" normally would indicate
17 the date of the document is March 24, 1971.

18 Mr. Kalmbach. That is correct.

19 Mr. Weitz. I take it from what you say that you are
20 almost certain that the document -- you are certain the
21 document was not prepared the 24th, but was prepared prior to
22 that day.

23 Mr. Kalmbach. I am as certain as I can be that it was
24 not, just on the logic involved.

25 Mr. Weitz. And, is it your best recollection that it was

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1 prepared, based on the facts in connection with that trip on
2 the 23rd, the day before your flight?

3 Mr. Kalmbach. Excuse me?

4 Mr. Weitz. Is it your best recollection that the
5 document was prepared the day before you left, that is, March 23

6 Mr. Kalmbach. That is my best recollection, Mr. Weitz.

7 Excuse me, can we go off the record?

8 (Discussion off the record.)

9 Mr. Weitz. Now, the itinerary reflects your scheduled
10 meetings and appointments for March 24th and March 25th, and the
11 two days following that, also; is that correct?

12 Mr. Kalmbach. That is correct.

13 Mr. Weitz. What is your best recollection, now, of the
14 source for that information; did you talk with someone who gave
15 you the information to prepare the agenda for the trip to
16 Washington?

17 Mr. Kalmbach. I think I talked to several people in
18 order to prepare this agenda for this trip.

19 Mr. Weitz. Was one of those persons John Ehrlichman?

20 Mr. Kalmbach. It would be my best recollection that it
21 was.

22 Mr. Weitz. And, is it your recollection that you spoke
23 with him on March 23rd?

24 Mr. Kalmbach. That would be my best recollection.

25 Mr. Weitz. Now, on March 24th, written on the agenda

1 there are two meetings I would like to direct your attention
2 to. One is at 5:30 p.m. and indicates, "Meeting with John
3 Ehrlichman in his office". That is the first meeting listed
4 after your scheduled arrival in Washington. Did you go and
5 meet with Mr. Ehrlichman that afternoon after you arrived in
6 Washington?

7 Mr. Kalmbach. That is my recollection.

8 Mr. Weitz. And was the purpose of that meeting to discuss
9 subsequent meetings scheduled for you while you were in Washingt

10 Mr. Kalmbach. I'm not certain, Mr. Weitz, as to the
11 purpose of that meeting; although it's logical to me that we
12 did discuss other meetings that I would be having in Washington,
13 including a luncheon meeting that I had with Mr. Ehrlichman the
14 following day at the White House.

15 Mr. Weitz. Now, of the meetings and other appointments
16 listed in your itinerary, the only meeting for which the persons
17 you were to meet are not listed is the 11 p.m. meeting on the
18 24th. Was this also, I take it, something you learned of on
19 the 23rd, that the meeting was scheduled, but not necessarily
20 the participants?

21 Mr. Kalmbach. Yes.

22 Mr. Weitz. Did you learn that from Mr. Ehrlichman?

23 Mr. Kalmbach. I don't have an independent recollection
24 of that, but, again, it would be my impression that I learned it
25 from Mr. Ehrlichman.

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1 Mr. Weitz. Is the 11 p.m. meeting listed in your
2 itinerary, is it your best recollection that that meeting is
3 the meeting to which you testified, that took place after the
4 Republican Fund-raising Dinner on the 24th between you, Mr.
5 Chotiner, and Mr. Nelson?

6 Mr. Kalmbach. It is.

7 Mr. Weitz. Could you tell us your best recollection as
8 to when you first learned that you would be meeting with Mr.
9 Chotiner and Mr. Nelson, that is, the particular participants
10 of the meeting?

11 Mr. Kalmbach. I'm not certain on this point, Mr. Weitz;
12 but, it is my impression that I learned of my meeting, forth-
13 coming meeting with Mr. Chotiner and Mr. Nelson from Mr.
14 Ehrlichman at our 5:30 meeting that afternoon.

15 Mr. Weitz. And at that time, do you have a recollection
16 of what he told you the purpose of that 11 o'clock meeting
17 would be?

18 Mr. Kalmbach. No, I don't have an independent recollecti
19 of that, Mr. Weitz. But, again, it's my impression that I was
20 advised that I would receive a re-affirmation of the pledge
21 from the Milk Producers at that late meeting on the 24th.

22 Mr. Weitz. That is the \$2 million pledge to the
23 Presidential Campaign?

24 Mr. Kalmbach. Yes, sir.

25 Mr. Weitz. Were you also advised, or is it your under-

1 standing, based on the circumstances of the meeting later, and
2 of your itinerary set forth before you left, that Mr. Ehrlichman
3 advised you to the likelihood of a price support increase, or
4 the actuality of a price support increase?

5 Mr. Kalmbach. I'm not certain on that, Mr. Weitz.

6 Mr. Weitz. Now, when you testified here on March 22,
7 1974, you indicated that with respect to the meeting with Mr.
8 Chotiner and Mr. Nelson, that you thought at that time Mr.
9 Chotiner had asked you at the dinner to meet with him following
10 the dinner.

11 I take it now, your recollection, based on this
12 document is refreshed so that your present recollection is
13 that it was Mr. Ehrlichman, prior to the dinner, who had
14 informed you of the meeting and the purpose of the meeting?

15 Mr. Kalmbach. That is correct.

16 Mr. Weitz. And, is it also true that nonetheless,
17 at the meeting itself, at 11 o'clock, or sometime after the
18 dinner, Mr. Chotiner did, as you testified, state that the
19 pledge was being re-affirmed in view of the price support
20 increase, as you testified?

21 Mr. Kalmbach. Yes, at that meeting I was advised that
22 the price support decision was to be announced the next day,
23 that is my recollection; and, that in view of that fact, the
24 pledge of the Milk Producers of \$2 million to the President's
25 1972 Campaign was in fact being re-affirmed.

1 Also, I should add that, whereas prior to this time
2 that I found this itinerary, agenda, in my home, I had been
3 under the impression that Mr. Chotiner and/or Mr. Nelson had
4 advised me that they had been asked by Mr. Ehrlichman to meet
5 with me.

6 It is now possible that I had been advised, or was
7 advised by Mr. Ehrlichman to meet with them, and I was not so
8 advised by Mr. Chotiner and Mr. Nelson. But, it could have
9 been either or both. But, I wanted to make it clear that
10 could have been made known to me at the 5:30 meeting by Mr.
11 Ehrlichman; and perhaps that was not so stated at the later
12 meeting that evening.

13 Mr. Weitz. But, in any event, whether from Mr. Chotiner,
14 or whether directly from Mr. Ehrlichman, it is your present
15 recollection that the meeting after the Republican dinner with
16 Mr. Chotiner and Mr. Nelson was arranged, and took place at
17 the request of Mr. Ehrlichman.

18 Mr. Kalmbach. Yes.

19 Mr. Weitz. And the matters that took place at that
20 meeting, the matters discussed were as you testified here before
21 other than the facts as you corrected them today.

22 Mr. Kalmbach. Yes.

23 Mr. Weitz. And I believe you also testified that the
24 next day you met with Mr. Ehrlichman for lunch and that as an
25 aside, apart from the others with whom you met, you told Mr.

K 2
6/13/74

ITINERARY/AGENDA

Wednesday, March 24, 1971

Hotel

Depart LAX via UAL 52
Arrive Dulles

8:30 am
4:15 pm

The Madison
15th & M Sts., NW
202/483-6400

P/U by WH auto

5:30 pm Meeting w/John Ehrlichman in
his office
6:30 pm Meeting w/Dan Hofgren at Washing-
ton Hilton
8:00 pm Dinner (RFC; meeting first at
Suite #P/1 - Gus Levy's name)
11:00 pm After-dinner meeting (to be
scheduled)

Thursday, March 25, 1971

8:30 am Meeting in coffee shop of Madi-
son w/Tom Evans
9:00 am B'fast. meeting at the Madison
with John Rollins
11:00 am Meeting with Gordon Strachan and
Bob Haldeman in Haldeman's office
at the WH
1:00 pm Luncheon meeting in Ehrlichman's
office with Ehrlichman, Milbank
and George Murphy
3:30 pm Meeting with P/M General Blunt
in the Post. Master General's
Office
4:00 pm Meeting in Rm. 6802 of the
Department of Commerce with M.
Stans and other business people
6:00 pm At the Madison (changing for
dinner)
7:30 pm Dinner at the WH
11:00 pm Back to the Madison

~~FRIDAY, MARCH 26, 1971~~

Friday, March 26, 1971

8:30 am Breakfast meeting at the Water-
gate with M. Stans

10:00 am At the WH -- probably meeting
with Mr. Finch

12:00

A/F #1 leaves Andrews AFB
3:00 pm with one stop - arrives at
El Toro

Mrs. Kalmbach to p/u

Saturday, March 27, 1971

10:00 am Golf at LACC w/Mark A. Soden
and Don Martin

HWK/ah
3/24/71

35. On March 24, 1971 Campbell sent to Rice a draft press release announcing an increase in milk price supports for use when action was completed on the subject. On March 25, 1971 the Secretary of Agriculture officially announced that the milk price support level for the 1971-72 marketing year would be \$4.93 per cwt. (approximately 85% of parity). Hardin has testified in an affidavit filed in civil litigation challenging the milk price support increase that he reevaluated the evidence regarding the milk price support level, and that the decision to set the price support level at \$4.93 was based entirely on a reconsideration of the evidence on the basis of the statutory criteria.

	Page
35.1. United States Department of Agriculture press release, March 25, 1971 (received from White House).	768
35.2 Memorandum from J. Phil Campbell to Donald Rice, March 24, 1971, with attached proposed press release (received from White House).	770
35.3 Clifford Hardin affidavit, <u>Nader v. Butz</u> , March 7, 1972.	774

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UNITED STATES DEPARTMENT OF AGRICULTURE

McDavid 388-4026

Washington, March 25, 1971

Support Price for Manufacturing Milk Increased

Secretary of Agriculture Clifford M. Hardin today announced an upward adjustment of support price for manufacturing milk to \$4.93 from the \$4.66 support price announced by him on March 12 which was a continuance at that time of support at the same level as for 1970.

In announcing the new higher support level, Secretary Hardin stated such announcements are minimums which cannot be lowered during that marketing season after once being announced, but which can be raised. Support levels can be lowered only at the beginning of the milk marketing year each April 1st.

Secretary Hardin stated that there is a constant analysis of the milk production situation, and that farmer costs have escalated sharply particularly in concentrate feed which has gone up \$10 to \$20 per ton. Farmers have no way to cut other costs to compensate for those which have risen.

- - - - -

5523

USDA 969-71

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Secretary Hardin stated that there is a constant analysis of the milk production situation, and that farmer costs have escalated sharply particularly in concentrate feed which has gone up \$10 to \$20 per ton. Farmers have no way to cut other costs to compensate for those which have risen.

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DEPARTMENT OF AGRICULTURE
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D.C. 20250

March 24, 1971

To: Donald B. Rice
Assistant Director
Office of Management and Budget

Attached is a proposed press release when action is completed on this subject.

/s/
J. PHIL CAMPBELL
Under Secretary

Attachment

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DEPARTMENT OF AGRICULTURE
OFFICE OF THE UNDER SECRETARY
WASHINGTON, D.C. 20250

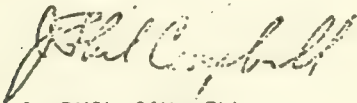
Change Price
File - Dairy
47

March 24, 1971

To:

Donald B. Rice
Assistant Director
Office of Management and Budget

Attached is a proposed press release when action is completed on this subject.



J. PHIL CAMPBELL
Under Secretary

001265

Attachment

WH

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001266

WH

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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

RALPH NADER, et al.,
Plaintiffs,

v.

EARL L. BUTZ, et. al.,
Defendants.

Civil Action No. 148-72

AFFIDAVIT

STATE OF MISSOURI
CITY OF ST. LOUIS

ss.

FILED
Mar 18 1972
JAMES F. DAVEY, Clerk

I, Clifford M. Hardin, being duly sworn, hereby depose and say
as follows:

1. I am a Vice-Chairman of the Board of Ralston Purina Company,
St. Louis, Missouri. From January 21, 1969 until November 17, 1971,
I was the Secretary of Agriculture of the United States. As such, I
had ultimate responsibility for the determination of dairy price support
levels for the marketing year 1971-1972 under the applicable statutes.

2. Section 201 of the Agricultural Act of 1949, as amended
(7 U.S.C. 1446), authorizes and directs the Secretary of Agriculture to
make available price support to producers of milk "at such level not in
excess of 90 per centum nor less than 75 per centum of the parity price
therefor as the Secretary determines necessary in order to assure an
adequate supply." Section 406 of the Agricultural Act of 1949, as
amended, requires the Secretary "insofar as practicable" to announce
the level of support for milk "in advance of the marketing year or season"
(7 U.S.C. 1426). The level of support so announced may not be reduced.
In addition, the purposes of Section 204(a) of the Agricultural Act of
1954 include, among other things, to assure adequate supplies of milk
and dairy products; encourage development of efficient production units

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as well as "stabilize the economy of dairy farmers at a level which will provide a fair return for their labor and investment when compared with the cost of things that farmers buy." (7U.S.C. 1446b).

3. On March 12, 1971, an announcement was issued at my direction advising the public of my determination to support the price of milk at \$4.66 per cwt. for the year April 1, 1971 to March 31, 1972. This was the same level as was in effect for the previous year. The complex economic factors which enter into a decision such as this are, of course, not subject to any one interpretation. Indeed, based on the information and advice that I was receiving, a number of determinations, including one to raise the support level to \$4.93 per cwt., would have been justified at this time. The initial determination of the level of price support for milk as announced on March 12, 1971 was the subject of major controversy even before it was made. Nevertheless, on balance I determined for the reasons stated in C.C.C. Docket MCP 98a to set the support level at \$4.66 per cwt.

4. At the time of the March 12, 1971 announcement of the price support level, I was aware of substantial Congressional sentiment in favor of a higher figure. Subsequent to the announcement of the \$4.66 per cwt. price support on March 12, 1971, such sentiment increased notably. A number of bills were introduced in both the Senate and the House which would have increased the support level on a mandatory basis to as much as \$5.00 per cwt. In addition, certain representatives of the dairy industry strongly urged that the price support determination be revised, pointing to increase in dairy production costs during the preceding 12 months. For example, at a meeting with the President on March 23, 1971, various representatives of the industry urged an increase in the price support level citing again the factor of increased costs to farmers.

5. The existence of such sentiment on the part of many members of Congress and wide segments of the dairy industry led me to inquire as to

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whether sufficient weight had been given to those factors which we had been aware of at the time of the March 12, 1971 announcement and which would have supported a decision to establish the price support at a higher level.

6. The meeting between representatives of the dairy industry and the President, referred to in paragraph 4 above, resulted from an invitation extended by the President in September, 1970, at a time when I addressed a meeting of some 25,000 members of a milk producers organization in Chicago. The arrangements which I made for key leaders of the dairy industry to meet with the President were made in January, 1971, and the March 23, 1971 date was fixed by the White House on February 25, 1971. At the meeting, to the best of my recollection, the President made certain brief remarks to the group and a spokesman for the group made a presentation urging an increase in the price support level.

7. In light of the considerations noted in paragraphs 4 and 5 above. I reevaluated the price support level announced on March 12, 1971 on the basis of the requirements of 7 U.S.C. 1446, with an increased focus on the factors described in C.C.C. Docket MCP 98a, Amendment 1. Among other things, feed costs had shown a noticeable rise throughout the year. In addition, there was some indication that the producers were considering action, based on recent legislation, which would have had the effect of reducing the overall supply of milk. One other factor to which our attention was directed was the fact that an increased supply of cheese was needed to meet obligations under other programs and a higher support price would tend to insure an adequate supply for these purposes. Such a reevaluation was not novel. Price support determinations for particular marketing years had been increased in the past.

8. During the course of reevaluating the evidence, I had discussions

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and advise from members of my staff, including Under Secretary Campbell, Assistant Secretary Lyng, and Assistant Secretary Palmby.

9. On March 25, 1971, this reevaluation of evidence pertinent to the dairy situation, on the basis of the criteria in 7 U.S.C. 1446, culminated in an announcement, issued at my direction, that the price support level for the marketing year 1971-1972 would be established at \$4.93 per cwt.

10. The decision to set the price support level at \$4.93 per cwt. was based entirely on a reconsideration of the evidence on the basis of the statutory criteria.

11. Neither the decision to reevaluate the \$4.66 per cwt. support price level nor the ultimate decision to establish the price support level at \$4.93 per cwt. was based on any consideration other than those outlined in this affidavit. Specifically, at no time did any person or organization promise or lead me to believe that funds of any kind or anything of value would be paid to me or any other person or organization in return for a reevaluation of, or increase in, the price support level.

12. Being cognizant of the views of Congress, as well as the views of the dairy industry and other industries affected by our programs, with respect to the administration of statutes relating to Agriculture, is, of course, a fundamental part of the Secretary's role.

/s/ Clifford M. Hardin
Clifford M. Hardin

Subscribed and sworn to before me this 7th day of March, 1972

/s/
Notary Public

State of Missouri

City of St. Louis Act performed in the City of St. Louis,
which adjoins the County of St. Louis,
My commission expires: My Commission expires January 2, 1973.

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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

RALPH NADER, et al.,)
)
 Plaintiffs,)
)
 v.) Civil Action No. 148-72
)
EARL L. BUTZ, et. al.,)
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35.3 CLIFFORD HARDIN AFFIDAVIT, MARCH 7, 1972, NADER v. BUTZ

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35.3 CLIFFORD HARDIN AFFIDAVIT, MARCH 7, 1972, NADER v. BUTZ

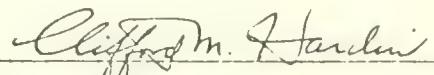
and advice from members of my staff, including Under Secretary Campbell, Assistant Secretary Lyng, and Assistant Secretary Fairby.

9. On March 25, 1971, this reevaluation of evidence pertinent to the dairy situation, on the basis of the criteria in 7 U.S.C. 1446, culminated in an announcement, issued at my direction, that the price support level for the marketing year 1971-1972 would be established at \$4.93 per cwt.

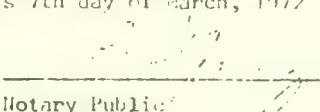
10. The decision to set the price support level at \$4.93 per cwt. was based entirely on a reconsideration of the evidence on the basis of the statutory criteria.

11. Neither the decision to reevaluate the \$4.66 per cwt. support price level nor the ultimate decision to establish the price support level at \$4.93 per cwt. was based on any consideration other than those outlined in this affidavit. Specifically, at no time did any person or organization promise or lead me to believe that funds of any kind or anything of value would be paid to me or any other person or organization in return for a reevaluation of, or increase in, the price support level.

12. Being cognizant of the views of Congress, as well as the views of the dairy industry and other industries affected by our programs, with respect to the administration of statutes relating to Agriculture, is, of course, a fundamental part of the Secretary's role.


Clifford M. Hardin

Subscribed and sworn to before me this 7th day of March, 1972


Notary Public

State of Missouri

City of St. Louis

My commission expires: _____

36. Between March 30, 1971 and August 5, 1971 Harrison and Chotiner transmitted to AMPI the names of 100 political committees to receive contributions and over spring and summer of 1971 AMPI and the other dairy cooperatives made contributions of \$2,500 each to the committees. The names and charters of the committees were prepared by Presidential campaign fundraisers Bob Bennett and Hugh Sloan with the assistance of John Dean. Haldeman received reports from Dean and Strachan regarding the collection and handling of the milk money. On September 11, 1971 Strachan sent a memorandum to Haldeman stating that fundraiser Lee Nunn reported that \$232,500 of milk money had been realized. Strachan stated that this was slightly more than one-half of the amount that should have been realized on the commitment (\$90,000 per month). Throughout this period dairy cooperative representatives referred to the commitment to make contributions to the President's reelection campaign.

	Page
36.1 Letter from Marion Harrison to Gary Hanman, March 30, 1971 with attachment (received from SSC).	785
36.2 Letter from Marion Harrison to Harold Nelson, June 16, 1971 with attachment (received from SSC).	787
36.3 Letter from Marion Harrison to Harold Nelson, June 29, 1971 with attachment (received from SSC).	785
36.4 Letter from Murray Chotiner to David Parr, August 5, 1971 with attachment (received from SSC).	794

36.5	Letter from Hugh Sloan to John Dean, April 12, 1971 with attachment (received from SSC).....	302
36.6	Information on campaign spending -- H.R. Haldeman and John Dean, May 18, 1971, SSC Exhibit No. 34-26, 3 SSC 1226- 30.	808
36.7	Memorandum from Gordon Strachan to H.R. Haldeman, May 21, 1971 (received from White House).	813
36.8	Memorandum from Gordon Strachan to H.R. Haldeman, September 11, 1971, Exhibit C, <u>Nader v. Butz</u>	816
36.9	Memorandum from Gary Hanman to ADEPT Committee, September 13, 1971 (received from SSC).	818
36.10	Letter from Gary Hanman to Dean Kloock, April 26, 1971, Hanman Exhibit G, <u>Nader v. Butz</u>	819

SEL.COM.
11-13-73

D
DR

LAW OFFICES
REEVES & HARRISON
SUITE 500
1701 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006

MARION EDWYN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON SOLTER
JUDY R. POTTER

TELEPHONE 202 298-9030
TELEX 440376 CRDK
CABLE "REEVLAW"

OF COUNSEL
MURRAY M. CHOTINER
PATRICK J. HILLINGS

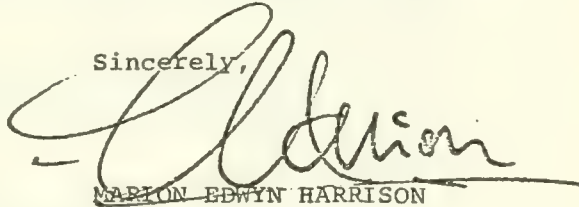
March 30, 1971

Mr. Gary Hanman
Executive Vice-President of Marketing
Mid-America Dairymen, Inc.
P. O. Box 1837 S.S.S.
Springfield, Missouri 65805

Dear Gary:

We send you herewith the names and addresses
of nine committees. We will get the tenth one later.
Please don't hold up waiting for it because we need a
few days.

Sincerely,



MARION EDWYN HARRISON

MEH:ek
Enclosure

Contact Bob Lohm.

Checks sent m
April 19, 1971

785
791
DR

DR

Kick Off '72 Republican Dinner
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican National Committee
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican National Finance Committee
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican National Finance Operations Committee
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican National Associates
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican Victory Committee
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Republican Campaign Committee
Eisenhower Center
310 - 1st Street, S.E.
Washington, D. C.

Committee for a Republican Congress
Congressional Hotel
300 New Jersey Avenue, S.E.
Washington, D. C.

Republican Congressional Candidates Conference
Congressional Hotel
300 New Jersey Avenue, S.E.
Washington, D. C.

Indistinct document retyped by
House Judiciary Committee staff

LAW OFFICES

REEVES & HARRISON

SUITE 500

1701 PENNSYLVANIA AVENUE, N.W.

MARION EDWYN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON SOLTER

WASHINGTON, D. C. 20006
TELEPHONE 202 298-9030
TELEX 440376 CRDK
CABLE "REEVLAW"

Of Counsel
MURRAY CHOTINER
PATRICK J. HILLINGS

JUDY R. POTTER

June 16, 1971

Harold S. Nelson, Esq.
General Manager
Associated Milk Producers, Inc.
GPM Building, Fourth Floor
San Antonio, Texas 78216

Re: Contributions

Dear Harold:

We enclose a list showing 25 committees, each with a chairman and a treasurer. As to each, the address of the committee is the address of the chairman.

Twenty-three of the 25 committees are from the list I already gave you. In sequence, beginning with unnumbered page one, the committees as they correspond to that list are #15, 17, 18, 21, 22, 24, 25, 27, 30, 31, 32, 33, the Citizens for More Effective Community Involvement (not on the list), Americans Dedicated to Support Democracy (also not on the list), 1, 2, 5, 8, 9, 10, 11, 12, 13, 14 and 16.

Let's not wait for the other 75 names. If Bob Isham or somebody would bring me these checks, each payable to the named committee in the sum of \$2,500.00 showing for your records the address (but not the name) of the chairman as the address for the committee, and showing nothing about the treasurer or the bank, I would deliver them and we would be started on our project.

The fact all this took so long and is yet incomplete frustrates me, believe me, even more than it frustrates you. Sometimes it is difficult to honor a commitment!

Sincerely,

/s/

MARION EDWYN HARRISON

MEH:ek

Received June 21, 1971

Indistinct document retyped by
House Judiciary Committee staff

UNITED STATES DEPARTMENT OF JUSTICE

COMMUNICATIONS SECTION
JUNE 16, 1971

RECEIVED
JUNE 16, 1971

— 36.2 Marion Harrison letter

June 16, 1971

DR

Harold S. Nelson, Esq.
General Manager
Associated Film Producers, Inc.
GPM Building, Fourth Floor
San Antonio, Texas 78216

Re: Contributions

Dear Harold:

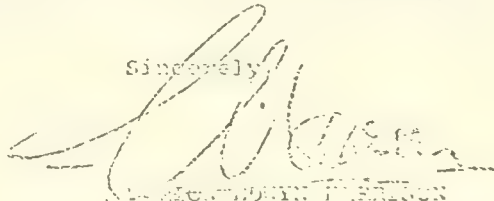
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The fact all this took so long and is yet incomplete frustrates me. Believe me, even more than it frustrates you. Sometimes it is difficult to honor a commitment!

Sincerely,



MARION HARRISON

MM:ck

RECEIVED JUNE 21 1971

783
H

36.2 ATTACHMENT TO MARION HARRISON LETTER

Americans Dedicated to Better Public Administration

Chairman: Robert [unclear]
1000 Connecticut Avenue, N.W.
Washington, D.C.

Treasurer: Vera Iden
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

DR

Association of Americans for Good Government:

Chairman: Leonard J. Bonner
1420 New York Avenue
Washington, D.C. 20005

Treasurer: Rosemary Hutchinson
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

League for Concerted Action:

Chairman: Maurice S. Williams
2104 Orchard Place
Landover, Maryland 20795

Treasurer: J. D. Bowersock
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

League of Dedicated Voters:

Chairman: Mrs. Inga [unclear]
2148 Geomelon Woods Place
Silver Spring, Maryland

Treasurer: Kenneth A. Williams
Union Trust Building
Washington, D.C.

Association of Political Volunteers:

Chairman: Harold Smith
1420 New York Avenue
Washington, D.C. 20005

Treasurer: August Zinsser
Union Trust Building
15th and H Streets, NW
Washington, D.C.

36.2 ATTACHMENT TO MARION HARRISON LETTER

- 2 -

Organization of Moderate Americans:

Chairman: Mrs. Fredric Tower
8033 Ingle Farm Drive
Bethesda, Maryland 20030

Treasurer: Paul M. Cadden
Union Trust Building
15th and H Streets, NW
Washington, D.C.

DR

Americans Dedicated to Greater Public Awareness:

Chairman: John M. Quick
10134 Little Pond Drive
Gaithersburg, Maryland 20760

Treasurer: Wilbur Biggs
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans United for Better Federal Administration:

Chairman: Mrs. John M. Quick
10134 Little Pond Drive
Gaithersburg, Maryland 20760

Treasurer: Richard Barrett
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association for Sensible Disarmament:

Chairman: Kathryn Beck
6609 Hillendale Road
Chevy Chase, Maryland 20015

Treasurer: James Shank
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Organization of Moderate Americans:

Chairman: Mr. John Packard
1840 14th Street, N.W.
Washington, D.C.

Treasurer: Stephen D. Kozma
Union Trust Building
15th and H Streets, NW
Washington, D.C.

36.2 ATTACHMENT TO MARION HARRISON LETTER

- 3 -

Americans Organized for Political Stability:

Chairman: W. Carter Davies
10100 Bentcross Drive
Potomac, Maryland 20854

Treasurer: Gordon Silcox
Union Trust Building
15th and H Streets, NW
Washington, D.C.

DR

Association of Neighborhood Volunteers:

Chairman: Maston M. Jacks
1451 Aldenham Lane
Reston, Virginia 22070

Treasurer: Jackson Ritchie
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Citizens for More Effective Community Involvement:

Chairman: John L. Kilcullen
1250 Connecticut Avenue, NW
Washington, D.C.

Treasurer: J. G. Addison
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans Dedicated to Support of Democracy:

Chairman: Jerome Powell
1250 Connecticut Avenue
Washington, D.C.

Treasurer: Susan Kuhn
Union Trust Building
15th and H Streets, NW
Washington, D.C.

36.3 MARION HARRISON LETTER, JUNE 29, 1971, WITH ATTACHMENT

LAW OFFICES
REEVES & HARRISON
SUITE 500

1701 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D. C. 20006

TELEPHONE 202 298-9030
TELEX 440376 CRDK
CABLE REEVHAW

MARION EDWIN HARRISON
ERNEST GENE REEVES
BERT F. SAGLE
RON SCOTER
JUDY R. POTTER

SP 22-436
MURRAY W. BENTLEY
PATRICK J. COLLINS

June 29, 1971

DR

Harold S. Nelson, Esq.
General Manager
Associated Milk Producers, Inc.
GPM Building, Fourth Floor
San Antonio, Texas 78216

J 12

Re: Contributions

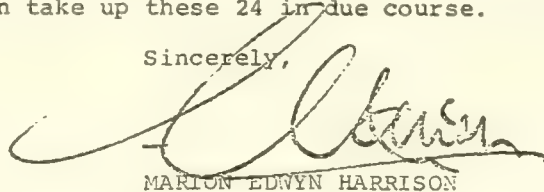
Dear Harold:

Do you think Bob Isham or somebody can move fairly fast on the 25 checks discussed in my letter to you of June 16? The people on the other side of the fence took forever and a day to get us the addresses of the committees but inasmuch as we have had the names of the committees for several months, it might be good politics to move fast.

We enclose a list of 24 more committees, in the same format as the original 25. All 24 are from the list I originally gave you. In sequence, beginning with the first page, the committees as they correspond to that list are ##20, 26, 29, 34, 35, 36, 37, 39, 40, 43, 44, 46, 47, 48, 49, 50, 51, 53, 54, 56, 57, 60, 61 and 62.

If it would delay getting in the original 25 to add these 24, I would suggest we move on the original 25 forthwith and then take up these 24 in due course.

Sincerely,



MARION EDWIN HARRISON

MEH:ek

Enclosure

100-100000-100

36.3 ATTACHMENT TO MARION HARRISON LETTER

Sel. 12/18/73 (16) DR
Com.

119

FROM THE DESK OF Jane S. Wright

4/1/71

3 P.M.

FROM: Marion Harrison

Don't do anything with the following as there
will probably be a name change... will be
back in touch in a day or two

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Isham & DR
N. Sel. Co.

LAW OFFICES

REEVES & HARRISON
SUITE 500

1701 PENNSYLVANIA AVENUE, N. W.

WASHINGTON, D. C. 20006

TELEPHONE 202 298-9030

TELEX 440376 CRDX

CABLE "REEVLAW"

MARION EDWIN HARRISON
ERNEST GENE REEVES
ROBERT F. SAGLE
MYRON SOLTER
CHARLES EMMET LUCEY
JUDY R. POTTER

OF COUNSEL
MURRAY H. CHOTINER
PATRICK J. HILLINGS

August 5, 1971

Mr. David L. Parr
Associated Milk Producers, Inc.
P. O. Box 9589
Little Rock, Arkansas 72209

Re: Contributions

Dear Dave:

In the absence of Marion Harrison, I am taking the liberty of furnishing you the list of 100 committees.

Please note that the single circle around the number indicates it was sent to Harold Nelson on June 16, 1971, in the first group of 25 committees.

The double circle around the number indicates it was in the list of 24 committees sent to Harold Nelson on June 29.

It will be appreciated if you will make the committees available to Mr. Isham with the thought in mind that prompt action will be taken along the lines we discussed.

With best personal regards.

Cordially,

MURRAY H. CHOTINER

HMC:ck
Enclosure

cc: Mr. Robert O. Isham

RECEIVED AUG 8 1971

794 DR

DR

Date Sept 10
62500.

Chas H

76. The League of Mature Americans

Chairman: Clarence Talley
4101 North Randolph Street
Arlington, Virginia

557

Treasurer: John C. Merwin
15th and New York Avenue, N.W.
Washington, D. C. 20005

77. Volunteers for Good Government

Chairman: Clarressa Fix
Room 515
1625 Eye Street, N.W.
Washington, D. C. 20006

558

Treasurer: Ronald M. Miller
15th and New York Avenue, N.W.
Washington, D. C. 20005

64

DR

36.4 ATTACHMENT TO MURRAY CHOTINER LETTER

78. Volunteer Against Citizen Apathy

Chairman: Wanda Wiles
1735 Eye Street, N.W.
Washington, D. C. 20006

Treasurer: T. Edward Morris
15th and New York Avenue, N.W.
Washington, D. C. 20005

558
DR

79. League for American Volunteers

Chairman: Mary Elizabeth Rill
7305 Masters Drive
Potomac, Maryland

Treasurer: Benjamin McCney
15th and New York Avenue, N.W.
Washington, D. C. 20005

560

80. Americans United for Effective Government

Chairman: Timothy McEnroe
1750 Pennsylvania Avenue, N.W.
Washington, D. C. 20006

Treasurer: John E. Onyun
15th and New York Avenue, N.W.
Washington, D. C. 20005

561

81. Association for Better Communities

Chairman: Lin Jones
1729 H Street, N.W.
Suite 310
Washington, D. C.

Treasurer: John D. Pollard
15th and New York Avenue, N.W.
Washington, D. C. 20005

562

DR

82. Association of Concerned Neighbors

Chairman: William Heimlich
1250 Connecticut Avenue, N.W.
Suite 612
Washington, D. C. 20036

Treasurer: Donald L. Scott
15th and New York Avenue, N.W.
Washington, D. C. 20005

56 DR

83. Americans United for Safer Streets

Chairman: Christine Heimlich
1250 Connecticut Avenue, N.W.
Suite 612
Washington, D. C. 20036

Treasurer: Harry W. Sipe
15th and New York Avenue, N.W.
Washington, D. C. 20005

564

84. Americans Dedicated to Volunteer Action

Chairman: Diane Konowalski
1729 H Street, N.W.
Suite 310
Washington, D. C. 20006

Treasurer: Neil F. Stull
15th and New York Avenue, N.W.
Washington, D. C. 20005

565

85. Americans for a More Informed Electorate

Chairman: E. W. Norris
1323 Pinetree Road
McLean, Virginia

Treasurer: Louise V. Tew
15th and New York Avenue, N.W.
Washington, D. C. 20005

566

86. Association of Participating Volunteers

Chairman: Denison Smith
4905 Manitoba Drive
Alexandria, Virginia

Treasurer: T. A. Whipple
15th and New York Avenue, N.W.
Washington, D. C. 20005

87. Citizens United in Pursuit of the American Dream

Chairman: Christopher Mullen
720 Woodward Building
Washington, D. C. 20005

Treasurer: Clara Widmayer
15th and New York Avenue, N.W.
Washington, D. C. 20005

88. Americans for Progress

Chairman: William Boyd Watson
9th Floor
1629 K Street
Washington, D. C. 20006

Treasurer: Benjamin O. Wood
15th and New York Avenue, N.W.
Washington, D. C. 20005

89. Association of Progressive Americans

Chairman: Robert W. Barker
1616 H Street, N.W.
Washington, D. C. 20006

Treasurer: Bryan B. Wright
15th and New York Avenue, N.W.
Washington, D. C. 20005

90. Americans Dedicated to Progressive Policies

Chairman: Joe Baroody
1100-17th Street, N.W.
Washington, D. C. 20006

Treasurer: Esther M. Betancourt
15th and New York Avenue, N.W.
Washington, D. C. 20005

572 DR

91. Association of Americans for Retention of Sound Ideals

Chairman: Gary Terry
1000-16th N.W.
Washington, D. C. 20036

Treasurer: Helen F. Bruder
15th and New York Avenue, N.W.
Washington, D. C. 20005

572

92. Committee for Better Communities

Chairman: Gus Rauschenbach
855 L'Enfant Plaza South,
Washington, D. C. 20024

Treasurer: Helen W. Candee
15th and New York Avenue, N.W.
Washington, D. C. 20005

573

93. League for Political Expression

Chairman: Martha Armstrong O'Hare
2100 Massachusetts Avenue
Washington, D. C.

Treasurer: Anna B. Clagett
15th and New York Avenue, N.W.
Washington, D. C. 20005

574

94. Committee for Involvement in Public Affairs

Chairman: Barbara Walsh
3127 - 51st Place, N.W.
Washington, D. C.

Treasurer: Hazel George
15th and New York Avenue, N.W.
Washington, D. C. 20005

575 DR

95. Americans for Greater Awareness in Public Issues

Chairman: Douglas Caddy
2121 P Street, N.W.
Washington, D. C.

Treasurer: E. Evelyn Lee
15th and New York Avenue, N.W.
Washington, D. C. 20005

576

96. Americans Dedicated to Greater Citizen Activity

Chairman: Mary Lee Hester
600 Roosevelt Boulevard
Falls Church, Virginia

Treasurer: Esther D. Nails
15th and New York Avenue, N.W.
Washington, D. C. 20005

577

97. Citizens for Volunteer Action

Chairman: Robert L. Hubert
7600 Colshire Drive
McLean, Virginia 22101

Treasurer: Pamela J. Redlund
15th and New York Avenue, N.W.
Washington, D. C. 20005

578

579

DR

98. Americans Dedicated to Sound Political Philosophies

Chairman: Edna Mullen
1729 H Street, N.W.
Suite 310
Washington, D. C. 20006

Treasurer: Mary Lou Simpson
15th and New York Avenue, N.W.
Washington, D. C. 20006

99. League of Thoughtful Americans

Chairman: Rose Marie Kobylinski
3712 Fulton Street, N.W.
Washington, D. C. 20007

Treasurer: Ruth E. Springman
15th and New York Avenue, N.W.
Washington, D. C. 20005

100. Association for Concerned Citizens

Chairman: Lawrence S. Jeppson
9004 Honeybee Lane
Bethesda, Maryland 20034

Treasurer: Lina S. Walters
15th and New York Avenue, N.W.
Washington, D. C. 20005

Suite 272
1701 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

April 12, 1971

Personal

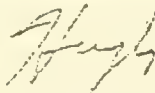
Mr. John Dean
Counsel to the President
Executive Office Building
Washington, D.C.

Dear John:

Per our conversation this morning, please find enclosed a revised list of the fifty committees which I intend to activate in the immediate future. As we discussed, I have substituted the word "improved" for "better" in Committees 4, 7 and 9.

Best regards.

Yours sincerely,



Hugh W. Sloan, Jr.

enclosure

36.5 ATTACHMENT TO HUGH SLOAN LETTER

1. Citizens for Effective Government
2. Citizens for A Better America
3. Citizens for Government Reform
4. Citizens for Improved Government
5. Citizens for Good Government

6. Committee for Effective Government
7. Committee for An Improved America
8. Committee for Government Reform
9. Committee for Improved Government
10. Committee for Good Government

11. Council for Effective Government
12. Council for A Better America
13. Council for Government Reform
14. Council for Better Government
15. Council for Good Government

16. United Citizens for Effective Government
17. United Citizens for A Better America
18. United Citizens for Government Reform
19. United Citizens for Better Government
20. United Citizens for Good Government

21. United Committee for Effective Government
22. United Committee for A Better America
23. United Committee for Government Reform
24. United Committee for Better Government
25. United Committee for Good Government

26. United Council for Effective Government
27. United Council for A Better America
28. United Council for Government Reform
29. United Council for Better Government
30. United Council for Good Government

31. Citizens Support Group for Effective Government
32. Citizens Support Group for A Better America
33. Citizens Support Group for Government Reform
34. Citizens Support Group for Better Government
35. Citizens Support Group for Good Government

36.5 ATTACHMENT TO HUGH SLOAN LETTER

-2-

- 35. Citizens Committee for Effective Government
- 37. Citizens Committee for A Better America
- 38. Citizens Committee for Government Reform
- 39. Citizens Committee for Better Government
- 40. Citizens Committee for Good Government

- 41. Citizens Council for Effective Government
- 42. Citizens Council for A Better America
- 43. Citizens Council for Government Reform
- 44. Citizens Council for Better Government
- 45. Citizens Council for Good Government

- 46. United Citizens Committee for Effective Government
- 47. United Citizens Committee for A Better America
- 48. United Citizens Committee for Government Reform
- 49. United Citizens Committee for Better Government
- 50. United Citizens Committee for Good Government

Organization of Dedicated Americans:

Chairman: David L.
1420 New Avenue
Washington .C.

Treasurer: Harriet Ann Pals
Union Trust Building
15th and H Streets, NW
Washington, D.C.

DR

League of Involved Citizens:

Chairman: Jordan S. Himelfarb
1420 New York Avenue
Washington, D.C.

Treasurer: Clifford C. Caslow
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Committee for a Better Nation:

Chairman: Sampson P. Holland
1809 Varnum Street, N.W.
Washington, D.C.

Treasurer: Brainard H. Warner III
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Citizens for Sound Policies at Home and Abroad:

Chairman: Harold Loure
Woodward Building
Washington, D.C.

Treasurer: Beedy T. Ritchie
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Americans United for Sensible Agricultural Policy:

Chairman: Calvin D. Johnson
2121 Wisconsin Avenue, NW
Washington, D.C. 20007

Treasurer: Mildred J. Warner
Union Trust Building
15th and H Streets, NW
Washington, D.C.

Citizens for a Better Environment:

Chairman: Edward Jeggans
2504 South Dakota Avenue, N.E.
Washington, D.C.

Treasurer: James M. Haynes, Jr.
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Americans for Sound Ecological Policy:

Chairman: Walter C. Barber
1000 Connecticut Avenue, N.W.
Washington, D.C.

Treasurer: Thomas L. Anglin
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Committee for Better Government:

Chairman: Peter R. Taylor
103 Mimosa Lane
Silver Spring, Maryland 20904

Treasurer: James M. Johnston, III
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Association of Political Activists:

Chairman: Charles G. Botsford
1730 M Street, N.W.
Washington, D.C. 20036

Treasurer: Irma M. Orpin
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

Americans Dedicated to Peace:

Chairman: Rose M. Botsford
1730 M Street, N.W.
Washington, D.C.

Treasurer: Julian Gillespie
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

36.5 ATTACHMENT TO HUGH SLOAN LETTER

Americans United for Better Leadership :

Chairman: Ozra Y. Peggans
128 Kennedy Street N.W.
Washington, D.C. 20011

Treasurer: John W. Maxwell
Union Trust Building
15th and H Streets, N.W.
Washington, D.C.

DR

1226

EXHIBIT NO. 34-26

CAMPAIGN SPENDING - HRH AND DEAN, MAY 18, 1971

1. The pending issue is the mechanics of reporting or not reporting for the 1701 activities. If 1701 is considered a "re-nomination Committee" it can be treated as a non-reporting activity. None of the Democratic candidates are currently reporting according to Dean. It is Dean's view that the legal question may have changed after the formation of the Committee was announced because of the choice of the word "re-election".
2. Dean and H agree that the expenditure should be kept low so that if the decision to report is made the facts don't look too bad. Large expenditures, and the activities with the milk money, would remain non-reporting.
3. The Attorney General concurred with the advice to do a mass mailing to 1000 to 2000 people from a list held by Lee Nunn. The letter would be signed by Frank Dale. Milbank has been approached and is not opposed.
4. Dean reported that Nunn is requesting use of the "500,000 White House List". If the list is not to be used now, could it be used later?

H - "I don't think that we can."

Dean - "What about interspersing the lists?"

H - "Ever been done before? Under LBJ?"

1227

Dean - "Will check and discover."

H - "Sort of interesting to get a run on the list and clean it up now."

Dean - "What was the criteria for setting up the list?"

H - "It is merely a list of people who indicated support for the President."

Dean - "There will be a 7-day turn around for any mailing."

"There will also be some telephone solicitation to establish a 'operating' activity."

H - "The Committee will be collecting funds in its own name."

Dean - "The pledge money that Kalmbach is seeking is to be brought in under the theory 'get as much as possible as soon as possible'."

H - "Nunn is also pushing separate from Kalmbach and getting it in fast."

"Strachan should push Kalmbach and Sloan to move on their money now."

H - "Kalmbach's pledges for 10 - can't they be put to work?"

Dean - "Maybe we should make arrangements for polling research, etc., and make payment now."

H - "Opposed to paying people in advance of work delivered: What about the possibility of creating a polling consultant - we give the money to him now and as our agent he holds the cash until the poll people actually deliver: presumably, he would pay income tax on the interest, but the interest could be his fee. We will have to do some checking on that."

1228

H - "We should begin moving at once because when the law is passed it will be effective immediately (of course, 10 days for the President to sign)."

Dean - "Much campaign money has lost earning power money anyhow."

Dean - "To review the guidelines for Sloan: 1. He can not assure contributors that there will be no gift tax liability; 2. The reporting and disclosure requirements from the law are also open and so Sloan can give very little assurance to the contributors that he can comfort."

H - "What about the possibility of getting the money in now with the understanding that we would reimburse them for the gift tax: argue reduce the amount by the amount of the gift tax."

Dean - "Ottinger family paid three quarters of one million dollars in gift tax."

Dean - "Sloan creating committees with 200 chairmen and bank supplies the treasurer."

Dean - "We will have to look into the question of agreement to reimburse on the gift tax point as well as the question of the possibility of putting some of the 10 in pledges in municipal bonds to prevent federal tax liability."

Dean - "Evans, Nunn and Sloan have raised the surplus funds question."

1229

H - "Forget this!"

"No, the surplus funds are not to go into 1701 - there is no need for cash in the 1701."

Dean - "What about the milk money? Our current thinking is to keep it totally separate and not even use the same bank."

H - "Agree"

Dean - "What should the milk money be used for?"

H - "The Citizens Committee can submit a budget at the appropriate time and in the meantime, the money can sit in the bank."

Dean - "Salaries at the Citizens Committee are currently being paid through a Kalmbach Trustee Account, so it is surplus money."

H - Fleming should not have access to the Kalmbach surplus money nor the 70 surplus money.

H - Strachan is to discover the source of the original 35 given to Fleming and cover with Kalmbach that he is not to move any of the surplus money without express approval from H and no such approval has been given.

Dean pointed out that the expenses of the Citizens Committee would be approximately 35-40 thousand per month.

Dean - Why can't the current mailing be a cover for the other available money? Since presumably the amount received from the mailing will not be sufficient to cover the operating expenses.

1230

H - Why can't the milk money be funneled into committees and into 1701 to pay operating expenses?

Dean, it is my understanding that the White House is to be completely hands off the milk money.

H - Agree .

H - The milk money can pay for the 1701 activities up to the campaign.

Dean summarized the remaining open questions:

1. Whether to be a reporting or non-reporting committee.
H - Why report?
2. No surplus money is to be expended ever.
3. The direct mailing is a go and expenditures should come out of what is raised.
4. The milk money is to pay for operating expenses.

H - The operating people need not know the source of the money: The operating people should merely submit a budget and budget revisions for expenditures which they incur. They need not know the mechanism for covering the expenditures.

H - Any tap of Kalmbach or reserve funds must be cleared by H.

THE WHITE HOUSE
WASHINGTON

May 21, 1971

WH

22
10
AS

MEMORANDUM FOR:

H.R. HALDEMAN

FROM:

001757

GORDON STRACHAN G

SUBJECT:

Kalmbach Telephone Call of May 21

After your meeting with John Dean on Wednesday on the Campaign Spending matters, discussions were held with Hugh Sloan and Lee Nunn. Their understanding of the financial arrangements corresponds with Kalmbach's as received in today's conversation with him in London. To summarize:

1. ~~None of the Kalmbach, surplus, or pledge money is to be released without your express approval.~~ Kalmbach and Sloan are fully aware of this rule. However, the "start up costs" of the Citizens for the Re-election of the President have been covered by Kalmbach collected money. These start up costs have been:

- \$35,000 - Harry Flemming for salaries, travel and furniture at 1701
- \$15,000 - Harry Flemming for salaries and expenses at 1701
- \$25,000 - Maryland Election
- \$2,500 - Rita Hauser

Kalmbach and Sloan assured me today that these amounts are fully reimbursable from Citizens funds as soon as received.

2. The responsibility for the collection of the milk money has been shifted entirely to Lee Nunn. After your call this morning I talked with Nunn in Texas. He explained the status, checked with Chotiner, and called me back. Currently, 76 checks for \$2,500 each have been transferred into Bennett created committees. Another 26 checks could be delivered if Bennett had the committees ready.

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new to be
L/A

670-1-1

-2-

HH

3. Nunn and Sloan have been pushing Bennett. They have not pushed harder because Kalmbach and Chotiner agree that it is important to have Senator Bennett's son as the transfer point. Nunn will politely increase the pressure on Bennett to hasten the transfers.

4. Kalmbach and Nunn argue that the milk money currently collected and that which will be received should be banked in the Bennett committee names. It is readily accessible, and any transfer into the committees holding Kalmbach collected money might contaminate them. It is their view that the milk money should not be used for the ongoing expenses of the Citizens because of the risk of discovery as the Campaign approaches. Rather, Kalmbach and Nunn argue that the money being collected by Nunn through the direct mail solicitation and the 0-100 contributors should cover Citizens' expenses. This money would also be the source for reimbursement of the Kalmbach collected funds under your direct control.

Recommendation:

001758

Kalmbach and Nunn seem to have the situation under control, though there has been some delay due to Kalmbach's European trip and the shift of responsibilities from Kalmbach to Nunn. Their arguments for use of Nunn solicited money for the Citizens ongoing expenses seem valid. The milk money should be kept as far removed, but as available as possible.

Agree H. Disagree _____

Comment but what are they going to use milk money for

5. No decision has been reached as to who should be the accountant. Kalmbach says he mentioned J. Patrick Dugan to the Attorney General and followed up with a note that Dugan's position as Executive Vice President of the Export-Import Bank would have to be considered as well as Dugan's relationship to Henry Kearns. Kalmbach did not receive a direction from the Attorney General to proceed on Dugan. The result is that Citizens' bills are paid by Flemming, the Attorney General's original designate. Flemming receives the money from Sloan with no disclosure of its source.

HH

-3- •

W/H

6. Kalmbach's new departure date from Europe is June 5. He is anxious to meet with you and the Attorney General to review his collection activities in Europe and the general financial situation. He suggests June 12, 13, or 14. These can be confirmed at a later date.

001750

W/H

Indistinct document retyped by
House Judiciary Committee staff

September 11, 1971

/Unreadable/

MEMORANDUM FOR:

H.R. HALDEMAN

FROM:

GORDON STRACHAN

SUBJECT:

Milk Money

Lee Nunn reports that \$232,500 has been realized. This is slightly more than one-half of the amount that should have been delivered on the commitment (\$90,000 per month).

However, a much more disturbing element has emerged. Frank Wright, a reporter for the Minneapolis Star has interviewed six of the chairmen of the front committees and Bob Bennett (the man handling all of the transactions). Bennett has told Nunn that no damaging information has been released. Kalmbach, Dean, Nunn, and Tom Evans of New York discussed this development late yesterday. No action has been taken.

It is Nunn and Sloan's opinion that Colson has established a separate agreement with the milk people in order to have cash available. I have not checked with Colson as this may be an agreement outside of my area of responsibility. If the alleged Colson agreement has your approval the matter will be dropped. If it does not you may want to re-emphasize your policy of single contact (Kalmbach) with all contributors.

 Drop this matter

 H Check Colson

 Other

Cashen - Mulcahy 3
5C separately on E committee
/unreadable/

EXHIBIT C

Indistinct document retyped by
House Judiciary Committee staff

FRANK WRIGHT

GORDON STRACHAN

Milk Money

SUBJECT:

Lee Nunn reports that \$238,000 has been realized. This is slightly more than one-half of the amount that should have been collected in the commitment (\$90,000 per month).

However, a much more disturbing element has emerged. Frank Wright, a reporter for the Minneapolis Star has interviewed six of the chairmen of the front committees and Bob Bennett (the man handling all of the transactions). Bennett has told Nunn that no damaging information has been released. Kalmbach, Dean, Nunn, and Tom Evans of New York discussed this development late yesterday. No action has been taken.

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Drop this matter

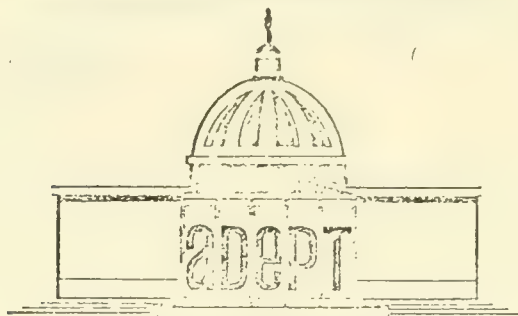
☒ Check Colson

☐ Other

Cash - Nader 3
5G separately on Economic
Siphoned.

EXHIBIT C

Sec. Com. G
11.13.73
DR



AGRICULTURE & DAIRY EDUCATION POLITICAL TRUST
P. O. BOX 1837 S.S. STATION, SPRINGFIELD, MO. 65805 • 417 862-7071

TO: ADEPT COMMITTEE

Ken Varner
Dale Hendricks
Dale Schaufelberger
Gordon Walle
Edgar Lampe
Curtis Phillips

FROM: Gary Hanman

DATE: September 13, 1971

SUBJECT: Quarterly Report

Attached is the Quarterly Report filed by Trustee Delano for the ADEPT Fund.

The \$15,000 contributions were a part of the continuing commitment which we had with the Administration. Several administrative decisions, favorable to dairy, have been rendered — more perhaps than any other administration: (1) Restore Special School Milk Program; (2) Curb imports in four major categories, with the over 47¢ cheese still being considered; (3) Use of CCC stocks of cheese in schools; (4) Export of butter (a summary of this program attached); (5) Increase in price supports by 27¢ per cwt.; (6) Class I Base Plan promotion deductions under federal milk orders; to name a few.

GH:bd

Encls.

DR

Indistinct document retyped by
House Judiciary Committee staff

April 26, 1971

Mr. Dean Kloock
Brooklyn,
Iowa 52211

Dear Dean:

Ethan Rasmussen has advised me of your agreement to establish September 1, 1971 as the deadline for obtaining definite commitments from all Mid-Am members relative to their participation in the ADEPT Program. I hope you will be able to meet this deadline. I think unless we have some definite deadline or due dates, many of us tend to let things drag.

I want to compliment you and other fieldmen within the Iowa Division, on your activity in the ADEPT Program. Had it not been for the ADEPT Program, and similar programs such as TAPE and SPACE, the recent support price increase could not have been obtained. However, much remains to be done. We need the final touches to our import quotas, to keep out cheap cheese - and need to expand our export business. All indications are that there will be a world shortage of dairy products. Even the common market countries are short of butter currently, where a year ago they had it running out their ears. The Canadian Government has recently increased their price supports, in an effort to encourage additional output. If we can encourage exports, we can avoid production discipline programs such as Class I Base Plans.

If I can be of any assistance in your contacts, please let me know.

Sincerely yours,

ADEPT

Gary Hanman

GH:bd

A copy of this letter was sent to all Iowa Div. fieldmen

Indistinct document retyped by
House Judiciary Committee staff

Page 6
Hanman
11-10-72
92

April 26, 1971

Mr. Dean Kloock
Brooklyn,
Iowa 52211

Dear Dean:

Ethan Rasmussen has advised me of your agreement to establish September 1, 1971 as the deadline for obtaining definite commitments from all Mid-Am members relative to their participation in the ADEPT Program. I hope you will be able to meet this deadline. I think unless we have some definite deadlines or due dates, many of us tend to let things drag.

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If I can be of any assistance in your contacts, please let me know.

Sincerely yours,

ADEPT

Gary Hanman

206628

GH:bd

A Copy of This
Letter was Sent
To all Iowa Div. fieldmen

37. In August 1971 Colson asked that AMPI make a contribution to People United for Good Government, a political committee, without specifying the purpose of the contribution. On September 2, 1971 AMPI contributed \$5,000 to People United for Good Government. Without the knowledge of AMPI officials, this money was later used to reimburse Joseph Baroody of Wagner & Baroody for funds he had loaned to Colson. The loan had been used to pay expenses incurred by the White House Special Investigations Unit (the "Plumbers") in connection with the break-in of the offices of Daniel Ellsberg's psychiatrist.

	Page
37.1 Marion Harrison testimony, SSC Executive Session, December 4, 1973, 43-45.	822
37.2 Joseph Baroody affidavit submitted to the SSC, January 30, 1974.	825
37.3 George Webster deposition, <u>Common Cause v. Finance Committee to Re-elect the President</u> , December 24, 1973, 33-35.	829
37.4 Charles Colson testimony, <u>People v. Ehrlichman</u> , June 8, 1974, 652-56.	832
37.5 Memorandum from Gordon Strachan to H.R. Haldeman, September 16, 1971 (received from White House). ...	837
37.6 Harold Nelson testimony, SSC Executive Session, December 19, 1973, 126-28.	838

1 of had organized for him, for projects that did not involve,
2 directly involve money to the re-election of certain candidates
3 either in '70 or '72?

4 Mr. Harrison. I know of one, but my source of information
5 is totally hearsay; namely, Mr. Robert Sale, who was one of
6 the assistants, special prosecutors.

7 Mr. Weitz. Besides from what you have heard from either
8 the prosecutor or what you have read in the paper, you know
9 of nothing of any committees organized in behalf of Mr.
10 Colson to receive contributions?

11 Mr. Harrison. No.

12 Mr. Weitz. On that point, did there not come a time in
13 either August or September of 1971 when Mr. Colson requested
14 a \$5,000 contribution from the dairy people? Asked of you to
15 obtain a \$5,000 contribution of the dairy people?

16 Mr. Harrison. Well, the precise way you phrased it does
17 not lend to a "yes" answer.

18 If I can rephrase it slightly, the answer will be yes.
19 That is the one Mr. Sale told me about.

20 Yes, there came a time sometime in 1971, about August,
21 when Mr. Colson wanted to know if a dairy client, one of the
22 trusts, would make a contribution to a committee, and he
23 named the committee.

24 Mr. Schochet. Which committee?

25 Mr. Harrison. I do not know; it was one of these nameless

ONES.

Mr. Schochok. Would you recall if you were reinforced?

Mr. Harrison. I do not think I would.

Mr. Schochok. People United for Good Government?

Mr. Harrison. It could be; I am sure that it is and and the same committee I am going to testify to but I do not recall the precise name.

The committee had as its treasurer, had an address -- had as its treasurer George D. Webster, a very prominent Washington lawyer.

Mr. Colson either asked if that could be added to the list of committees or asked whether it could be contributed to, whatever way he phrased it. The net result was the same as asking me if I would recommend to the client that they make a contribution to that committee.

So I said, sure, and passed on the request to somebody in the client organization.

In due course, TAPE made a contribution of \$5,000 to that committee. I remember it very, very distinctly because George Webster has one of these little converted townhouse offices on Jefferson Place, N.W. Our law firm had thought of buying a building and converting it; I had the idea that I would take the check over to him and have him show me his office, which he did.

Except for that, I would not remember so distinctly.

1 Mr. Weitz. You delivered the check to Mr. Webster?

2 Mr. Harrison. Personally, I did.

3 Mr. Weitz. How did you receive the check?

4 Mr. Harrison. Independently.

5 I do not remember -- Mr. Sale of the prosecutor's office
6 thinks he has it established that at the HUPV annual meeting
7 in 1971, at which I was in attendance, along with 40,000
8 people and the President and everybody else, a great number
9 of senators and congressmen, somebody handed it to me there.

10 Mr. Weitz. You do not remember that?

11 Mr. Harrison. I do not remember having it handed to me.
12 It could have been handed me; someone could have brought it
13 to the office; it could have been mailed to the office.

14 Mr. Weitz. Do you know to what purpose the money was put?

15 Mr. Harrison. I know what Mr. Sale told me.

16 Mr. Weitz. Did you know other than that?

17 Mr. Harrison. No.

18 I was pleased to get the name of a committee -- I thought
19 Mr. Colson was doing us a favor -- which had a prominent
20 lawyer as the treasurer and not some bank clerk at Union
21 Trust.

22 I have nothing against bank clerks. I was very suspicious
23 at the names of some of those committees that Mr. Lee Nunn
24 had come up with, with bank clerks as treasurers. They were
25 not organized as knowingly and thoroughly as they ought to

UR

AFFIDAVIT OF JOSEPH BAROODY

I, JOSEPH BAROODY, being duly sworn, hereby depose

and say:

Since 1970 I have been employed in the public affairs consulting firm of Wagner and Baroody, 1100 Seventeenth Street, N.W., Suite 712, Washington, D.C. The consulting services which my firm renders consist of representing clients affected by Federal Government actions.

From October, 1970, to January 1972, my firm was retained for consulting services by the Associated Milk Producers, Incorporated for a fee of \$2,500 per month. This consulting relationship was initiated with the assistance of the law firm of Reeves and Harrison of Washington, D.C., of which Marion Harrison, Esq. is a partner. I have met Mr. Marion Harrison on two or three occasions. Mr. Charles Colson, former special assistant to the President of the United States, was aware that my firm represented AMPI. It was my understanding that my firm was expected to look for ways in which we could advance the interests of AMPI. At no time, however, was I - or was any other person in my firm - connected in any way with, or aware of, any discussions between representatives of AMPI and the Administration concerning either milk price supports or possible contributions to the 1972 Presidential Campaign Fund.

DR

-2-

I have been personally acquainted with Mr. Charles Colson for several years. In the latter part of August or the first part of September, 1971, Mr. Colson telephoned me and told me that the White House had an urgent need for \$5,000 and he asked me to lend him this amount for a short period of time. He did not tell me why the money was needed. I gathered this sum together from my personal funds (\$1,500 to \$2,000) and from funds (\$3,000 to \$3,500) which had previously been given to me by Mr. Colson's office to use in preparing television responses to a Common Cause statement on ending the war in Southeast Asia. The next day I put \$5,000 in an unmarked envelope and took it to Mr. Colson's office in the Executive Office Building. Mr. Colson told me to take the money to an office and give it to a person whom I would find there. I went to the office I had been told to go to and gave the money to a man whom I did not know but whom I now believe to have been Egil Krogh, Jr.

Two or three weeks afterwards, I received another telephone call from Mr. Colson's office. I was told that I could be repaid by going to Mr. George Webster, Esq., an attorney whose office was on Jefferson Place, N.W., in Washington, D.C. At the time I was wholly unaware that Mr. Webster was engaged in fund raising activities in connection with the President's re-election effort. Soon after receiving the call, I went to Mr. Webster's

DR

-3-

office. He was not in. I identified myself to a receptionist who went to a nearby desk, opened a drawer and pulled out an unmarked envelope which she handed to me. The envelope contained \$5,000 in cash.

In June of 1972, Mr. Colson called me on the telephone and told me that it appeared that the \$5,000 might have been used to finance the September 1971 break-in of the offices of Dr. Lewis Fielding, the psychiatrist of Dr. Daniel Ellsberg. The purpose of Mr. Colson's call was to establish the date of the loan so as to determine whether, in fact, the funds could have been used for that purpose.

In the Spring of 1972 I received \$22,000 from Mr. Colson's office to place advertisements in several major newspapers throughout the United States supporting President Nixon's military directives in entering the country of Cambodia. Subsequently, the advertising project was suspended and this money was returned by me to Mr. Colson's office. Thereafter, it was decided that the advertisements would be placed on a smaller scale and I was given approximately \$6,800 with which to defray the costs of the reduced program.

The instances referred to previously herein are the only ones in which I have received White House funds.

From August of 1971 to the Spring of 1972, I worked with

DE

-4-

a committee called "Citizens for a New Prosperity". Its function was to place advertisements and hold press conferences to build support for the economic policies embodied in the Economic Stabilization Act and Phases I and II. The Committee was bipartisan; its two principal officers were Hobart Lewis and former Treasury Secretary Fowler.

DATE: Jan 30, 1974SIGNATURE Joseph Barody

Subscribed and sworn to before me this 30th day of January, 1974.

My Commission expires

DATE: Sept. 14, 1976Lida K. Terrell
Notary Public

MR. ROGOVIN: No, we won't go into that then.

BY MR. ROGOVIN:

Q. In September of 1971 did you have a conversation with Charles Colson concerning the 5,000-dollar check that you believe was from T.A.P.E.?

A. I did.

Q. And where did the conversation take place?

A. Oh, I frankly don't recall where it took place.

Q. When, specifically, was the conversation?

A. The conversation was in the first part of September, that the -- the check was put in that account on the 7th of September, and that was all fairly simultaneous.

Q. Was anyone else aware, at the time, of the conversation that you had with Colson?

A. Not that I know of.

Q. You didn't tell anyone of your conversation with Colson?

A. Not at that time. I've told -- the whole world has now been told about it.

Q. And what was the name of your secretary at that time?

A. Jane Horsley.

Q. What did Mr. Colson ask of you?

A. He wanted to know if any of those committees that I'd set up to receive funds for the Republican National Committee were still alive.

Q. What was your response?

A. I said, "One."

Q. What had happened to the other committees?

A. We had closed them out.

Q. You say "we." Who?

A. Me.

Q. You.

A. Probably I told my secretary to do it.

Q. Who had authority to write checks on the People United for Good Government Committee?

A. The bank records would show, but I know that I did.

Q. What did Mr. Colson ask you, if anything, after you indicated that one committee still existed?

A. He said he wanted to put a deposit in there.

Q. Did he tell you the purpose of the deposit?

A. He did not.

Q. Did he tell you what he wanted of you after the deposit was made?

A. He did not.

Q. When did you receive the check?

A. About the -- about September 7th.

Q. What did you do with the check?

A. Put it in the bank.

Q. Then what did you do?

A. Left it there.

Q. How long was the check in the bank?

A. The bank records show, I think, that the money was taken out on September 21.

Q. And what were the circumstances surrounding the taking out of the money?

A. The circumstances, as I recall them, were that Mr. Colson called me up and said he wanted five thousand dollars in cash, and so I wrote a check for five and put the money in my safe. While I was away he called up -- I suppose it was he -- or came over -- I don't know which one it was -- and told my secretary that there would be a Mr. Baroody that would be over and pick up the \$5,000.

Q. Were there any other funds in the account at the time, other than the five thousand?

A. None, to my knowledge, and also the records indicate there was nothing else in there.

Q. Did Mr. Colson tell you what the \$5,000 was to be used for?

1 A Yes. Mr. Ehrlichman asked me if I could
2 obtain five thousand dollars for Mr. Krogh. And he indicated
3 that the money was needed rather quickly, as I recall.
4 And I obtained it from Mr. Joseph Barooddy, who was at that
5 time the -- that was a partner in the Public Relations firm
6 that was organizing the committee for new prosperity,
7 which was the group that was the outside support, public
8 support or private -- a private group on the outside that
9 was -- that had been formed to generate public support for
10 the President's new economic policy.

11 I did not, during the course of that first
12 interview, know that it was even Mr. Barooddy that I had
13 asked for the funds. I had to go back and check and discover
14 that it was.

15 Q Do I understand you to tell me that the --
16 that Mr. Ehrlichman asked you to obtain five thousand dollars
17 for Mr. Krogh?

18 A Yes.

19 Q When did he make this request from you?

20 A The only way I can tell is going back now, of
21 course, and the benefit of piecing together the dates and
22 the times and the places of what I now know, and looking
23 at the records.

24 I would have to assume that it was the week
25 before Labor Day. I can't, however, be more precise than
26 that. It could have been after Labor Day.

27 Q Where were you when you received this telephone
28 call from Mr. Ehrlichman?

1 A I was in my office.

2 Q In the White House?

3 A Yes.

4 Q Do you have any idea where Mr. Ehrlichman was
5 when he made that request to you?

6 A No; but one reason that I think it was the
7 week before Labor Day is that I think Mr. Ehrlichman was
8 on the West Coast. But that's -- I haven't checked that.
9 I know it was a phone conversation.

10 Q Was that a highly unusual request for you to
11 receive from Mr. Ehrlichman?

12 A Not really. One of my assignments in the
13 White House had been -- throughout the course of the time
14 I was in the White House, one of my assignments was to
15 maintain liaison with all outside groups. That would include
16 all organized groups, like anything from League of Women
17 Voters to the labor unions, to veterans' groups, what-have-you.

1 I spent a large part of my time, and my staff did, seeing
2 people from outside groups who would come in and want to
3 have discussions with the President, with the President's
4 staff.

5 I was also responsible for forming or helping
6 to form or encouraging the formation of outside groups that
7 would support the policies that the President was following.
8 For example, we formed a support group for the President's
9 effort to get approval of the anti ballistics missile.
10 We formed a support committee for economic policy.

11 Q How does that relate to the request by Mr.
12 Ehrlichman for funds?

13 A I'm sorry, I gave you a long-winded answer.
14 Because of this relationship with outside groups, I would
15 often be the person that either Mr. Haldeman or Mr.
16 Ehrlichman would call and ask if I could get funds for a
17 particular -- usually for an outside project, but something
18 that they wanted done.

19 In other words, a poll to be taken in connection
20 with the A.B.M., I recall, the publication or the reprint
21 of some materials that had been printed in the Reader's
22 Digest.

23 I was often called and asked if I would be able
24 to get someone to help finance a particular outside
25 project.

26 Q Had Ehrlichman ever asked you to obtain funds
27 for Mr. Krogh before?

28 A No.

1 Q This was a request for five thousand dollars?

2 A My best recollection is that the amount was
3 five thousand, yes.

4 Q And you secured the five thousand dollars?

5 A No. I apparently -- I have had to go back and
6 reconstruct this. I apparently called Mr. Baroody and asked
7 if he could -- if he could get five thousand dollars, if he
8 had it.

9 And he was the fellow at that particular point
10 in time raising money for the committee for a new economic
11 policy. He said he could.

12 And I asked if he would deliver it to Mr. Krogh's
13 office, which he had subsequently told me that he did.

14 Q Did he tell you when he delivered it?

15 A No. His recollection, like mine, is that it
16 was during this period of time, but the specific date we
17 can't establish.

18 Q Do you recall whether there was any immediacy
19 attached to the request of Mr. Ehrlichman in terms of that
20 money?

21 A Well, it seems to me there was, but I'm not able
22 to really be precise on what was said during that conversa-
23 tion.

24 Q Do you recall whether or not there was any
25 immediacy attached to your request to Mr. Baroody for
26 obtaining that money?

27 A I would have conveyed the same immediacy that
28 Mr. Ehrlichman conveyed to me. If it was "Get it today, if

1 you can," fine. If it was, "Get it tomorrow, we need it by
2 tomorrow," or -- I just don't remember.

3 Q Did you ever talk to Mr. Krogh about that money?

4 A To the best of my knowledge, I did not.

5 Q Did you ever find out whether that money was
6 repaid?

7 A Yes, I made arrangements for repaying that money
8 through a committee in the District of Columbia, a political
9 committee in the District of Columbia that was at that point
10 raising funds, and it was repaid later -- late September,
11 according to -- as I said, I have had to go back and reconstruct
12 the events, but the money was repaid to Mr. Baroody in the
13 latter part of September.

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THE WHITE HOUSE

WASHINGTON

Administratively Confidential

September 16, 1971

001770

MEMORANDUM FOR:

H.R. HALDEMAN

FROM:

GORDON STRACHAN G

SUBJECT:

Milk Money

You asked me to check Colson regarding an independent agreement with the milk people for Colson to get cash. Colson confirmed that he had made a separate arrangement to obtain five thousand. This money was committed by Ehrlichman but never delivered in connection with a "project we (Colson and Ehrlichman) worked on together". -Right L.

The only other variation from your directive of single contact with contributors is a Cashen request for \$3,600 from Ireland for a poll over a year old. This \$3,600 request has been shifted to Magruder.

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Mr. Nelson. Then after the second time --

Mr. Weitz. He advised you to do so?

Mr. Nelson. Yes. Well, yes, that's right.

Mr. Weitz. At the second conversation, was it explained to you or did you discuss what the firm would do for their fee?

Mr. Nelson. No.

Mr. Weitz. And to your knowledge they were hired for AMPI?

Mr. Nelson. Yes. We paid them. I know that.

Mr. Weitz. And if the billings for AMPI indicate a fee from October '70 through January 1972 of \$2500 a month, is that consistent with your recollection?

Mr. Nelson. Let's see, that would be --

Mr. Weitz. That would be \$30,000 a year.

Mr. Nelson. That's close enough.

Mr. Weitz. To your knowledge, did any employee at AMPI ever meet with or talk to anybody from the Wagner and Baroody firm?

Mr. Nelson. Not to my knowledge.

Mr. Weitz. What did they do for their fee?

(No response)

Mr. Weitz. Nothing to your knowledge?

Mr. Nelson. I have said that repeatedly, nothing that I know of.

Mr. Weitz. Do you know whether they did anything for Mr.

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Colson?

Mr. Nelson. No, I do not.

Mr. Weitz. Do you know whether they did anything for Mr.
Harrison?

Mr. Nelson. I do not know that they did.

Mr. Weitz. Did you consider this in the nature of a con-
tribution or gift of the firm to keep the favor of Mr. Colson?

Mr. Nelson. Well, I guess contribution is a better word.

Mr. Weitz. Did this have anything, to your knowledge, to
do with the special projects referred to in the Hillings let-
ter?

Mr. Nelson. I don't think so at all.

Mr. Weitz. Not to your knowledge?

Mr. Nelson. No.

Mr. Weitz. Was the firm of Wagner and Baroody or any of
their principals ever mentioned to you in connection with the
contribution? you have talked about the \$5,000 contribution
that was made at Mr. Harrison's request.

Mr. Nelson. No.

Mr. Weitz. Did you know whether Mr. Colson had made that
request, by the way, or was this just another request from Mr.
Harrison?

Mr. Nelson. It was just another request. To my recollec-
tion, it was just another request. I have no independent recol-
lection of it.

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Mr. Weitz. Mr. Colson's name was never recommended in that connection?

Mr. Nelson. No.

Mr. Weitz. Did Mr. Colson to your knowledge ever make any recommendation to you or to anyone representing AMPI about political contributions?

Mr. Nelson. I think he did. I can not tell you which area or what I think he did -- maybe to Mr. Harrison, suggested some committees or something.

Mr. Weitz. Committees or candidates?

Mr. Nelson. Maybe candidates.

Mr. Weitz. Was this in connection with the 1970 senatorial campaign?

Mr. Nelson. I am not sure about that, but I believe he did.

Mr. Weitz. Were you not present at that meeting in his office in the White House?

Mr. Nelson. What meeting?

Mr. Weitz. Mr. Colson and Mr. Harrison, where Mr. Colson made particular suggestions about particular contributions.

Mr. Nelson. That's what I'm saying. I think he did. I cannot tell you what candidates and so forth.

Mr. Weitz. But other than that, were there any other instances in which you were aware that Mr. Colson made recommendations for political contributions to either you, Mr. Harrison,

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38. On September 3, 1971 the President delivered a speech to the
AMPI convention in Chicago, Illinois.

	Page
38.1 President Nixon remarks, September 3, 1971, 7 Presidential Documents 1242-45.	842

a nation with the best environment in the world, a nation with the greatest progress in the world.

All these are American goals, but they will not be achieved unless we dedicate ourselves to the spirit that built American aviation. Let me describe that spirit.

Orville Wright flew with his brother only once. On that same day that he flew with his brother, the year 1910, 61 years ago, he flew with his 82-year-old father, that same afternoon. And the words that his father spoke as he flew with his son, Orville Wright, on that afternoon here in Dayton 61 years ago were simply these: "Higher. Higher. Higher."

That was the spirit of American aviation. That is the spirit of the American Air Force. That is the spirit of the people of Dayton, of the people of Ohio who have created this great museum which reminds us of our great past. Let that spirit, higher and higher, always be the spirit of the United States of America.

NOTE: The President spoke at 7:07 p.m. at Wright-Patterson Air Force Base at Dayton, Ohio.

For a statement by the President on the museum, see the preceding item.

Associated Milk Producers, Inc.

The President's Remarks at the Group's Special Convocation in Chicago. September 3, 1971

Mr. Nelson, Governor Ogilvie, Mayor Daley, Reverend Clergy, Members of the Senate, Members of the House, all of the distinguished guests on the platform and all of those attending this great convention:

In that period over the past 25 years that Mr. Nelson referred to, when I first entered public life, I have probably addressed more conventions than any American political figure. I have probably addressed more audiences in America and in the world than any American political figure. I think I have seen some pretty big crowds. I can say to you here tonight, however, that by all odds, this is the biggest convention and the biggest indoor crowd I have ever seen in my life, and I'm proud to be here.

With 40,000 in this hall, I just wonder who's home milking the cows.

It is significant, too, that this convention is taking place in the city of Chicago. In doing some of my homework before coming to Chicago, I found that this is the 100th anniversary of the great Chicago fire, and as most of you will recall, the fire was started by a milk producer. But whatever Mrs. O'Leary's cow did 100 years ago did not stop the spirit of Chicago. The city was built back stronger and more vigorous than ever before.

Then it is interesting to note that before this great hall was constructed 3 years ago, another fine hall was destroyed by fire. And rather than be stopped by that, here we have this splendid facility in which we meet tonight.

As we consider those things, I think it is well to put this great convention in the context of the broader problems that the United States faces in the world today. You are, of course, milk producers, dairy farmers, you are justly proud of your professions. But you are also American citizens deeply interested in this country, interested as all Americans are, in what the future holds for our children.

Are we to have a world in which we have a better chance for peace than we have had previously, a better chance for a prosperity without war, a better chance for prosperity without inflation?

These are questions that all Americans are interested in, and you, as Americans, are also vitally interested in.

What we must recognize at this time is that we meet at a period of enormous opportunity and great challenge for America. On the one side, we find the most difficult and the longest war in America's history being brought to an end, and we find, too, that we are beginning to build the structure for a new era of peace in the world. It is not easy; it is not sure. But the journey that I will take to the People's Republic of China, the negotiations that we are undertaking in various areas with the Soviet Union, and the other initiatives that we have undertaken in the field of foreign policy, in my opinion, give us this opportunity: I believe tonight that we have the best chance since the end of World War II for our children to have what we have not had in this century in America—a full generation of peace.

But the irony of that situation is that as the danger of war recedes, the challenges of peace increase. Not that we do not want those challenges and would not much prefer them to war; not, for example, that Americans, as we consider the fact that 2 million men have been let out of the Armed Forces since the year 1969 as a result of the winding down of the Vietnam war, out of the Armed Forces and defense plants, that they now are in our job market, that this, therefore, makes it necessary to develop new jobs, peacetime jobs for those individuals. This is a challenge we accept.

But on the other hand, we must recognize that as we look to the period ahead, a period when we are going to use our leadership as well as we possibly can to create peace for America and peace for the world, it will mean a new world of much greater competition for America.

Let's look back just 25 years at the end of World War II. You will recall then that America, with 7 percent of the world's people, produced 50 percent of the world's goods. Not any nation in the world even approached us in the major areas of competition economically.

And in that period, the United States of America was a generous nation, generous to its allies who had fought beside us, and generous to its enemies whom we had defeated.

One hundred fifty billion dollars in foreign aid, military and economic, was given by the United States to other nations. And now, 25 years later this is what we find: We find that the United States is still number one in the

world economically, but we find that we have competition such as we did not have 25 years ago, competition from Japan, for example, and Asia, competition from the nations of Europe which we helped to rebuild after World War II, competition from the Soviet Union, and in the future the potential competition of the most populous and one of the most creative peoples on the earth, 800 million Chinese.

That is the picture we have in front of us. So the question that we confront in America is: What do we, 200 million Americans, do about this? How do we meet the challenge of peaceful competition?

There are two ways that it could be met. One is to build a wall around ourselves, a permanent wall, and to live within ourselves and to let the rest of the world pass us by. That is the philosophy which some have. Some suggest that it really doesn't make any difference whether the United States continues to maintain its position of world leadership economically, a position which is essential if we are to be the world's leader—free world's leader in the field of foreign policy.

But on the other hand, there is another point of view, a point of view that I strongly recommend to this great audience of America from over 25 States in this Nation tonight, and it is this: At the end of World War II the United States was in the position where it was our duty to help other nations get on their feet. It was also in our interest. We have no regrets about having succeeded and succeeding very well in that great gesture—humanitarian, and also in our economic self-interest as it turned out to be.

At that time one world statesman described the situation like a poker game. He said what happened was that at the end of World War II the United States had all the chips and no one else could play and so we had to pass out some of the chips to the other nations so that they could get into the game—and we did that.

Now they are in the game. They are strong, vigorous competitors. We should not resent that. As a matter of fact, we should welcome it because the stronger the competition, the better we do. That's the American spirit.

But on the other hand, as I pointed out in my speech to the Nation on August 15, let the competition be fair. Let us see to it that as far as the international monetary situation is concerned that unfair advantages of other nations be removed. Let us see to it that as far as trade barriers are concerned that it is a two-way street, that markets abroad are open to the United States as we open markets in the United States to nations abroad.

There was a time when the United States, 25 years ago, could afford to be generous, not only in our aid but in our trade policies. We still want to be generous where the situation requires it from a humanitarian standpoint. But at this time, when other nations in Europe and in Asia are on their feet, where they are our competitors, the time has come for the United States to quit trying to compete with one hand tied behind our back.

So the world that I see for America is not one in which we build a wall around ourselves, not one in which the United States fails to meet the challenge of competition, but one in which we set up fair rules of competition and then proceed to do everything that we can to do our best.

Now, let me relate all that to this great audience here in the heartland of America, an audience from American agriculture. A few months ago the Census Bureau announced that it had plotted the new population center of the United States. And that point where half of the population lives to the north and half to the south, and half to the east and half to the west, they found right here in the State of Illinois. They put a marker at the spot. It is about 5 miles outside of the town of Mascoutah.

I remember thinking how symbolic it was in this age of urbanization, great cities like Chicago, that the spot which had marked the exact center of population in America was right in the middle of a farmer's field.

But if we really consider the basic resources of this country—our natural abundance, our economic power, our physical and spiritual health—then we must still conclude in 1970, as in 1790, that the heart of our Nation's strength still lies in our Nation's farms.

Look back just 75 years: Again, here in Illinois, in the great city of Chicago, a Democratic National Convention, William Jennings Bryan, taking that convention by storm and winning the Democratic nomination—his speech is remembered by every student of American history and of political science as one of the great speeches of all time. And this was something he said: "The great cities rest upon our broad and fertile prairies." He said, "Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms, and the grass will grow in the streets of every city in the country."

Now there are many more cities and many fewer farmers today in America than there were in 1896, but now as well as then, American agriculture contributes enormously to America's strength. There is one achievement of our Nation's farmers that is particularly pertinent to the remarks I have made with regard to the competitive position we have in the world today. It is the success of American agriculture in raising the level of productivity on our farms.

Productivity holds the key to America's ability to compete in the world. Only by increasing productivity can we achieve a higher standard of living without rampant inflation at home and only by increasing productivity can we win a stronger position over the long run in the marketplaces and the trading lanes of the world.

Now, let's look at productivity in America over the past 20 years. It has not moved up fast enough in some areas, but American agriculture is an exciting exception. In the nonfarm sector of our economy, productivity has gone up over 150 percent in the last 20 years. In the field of agriculture, however, productivity in the last 20 years has gone up 300 percent—nearly twice as much.

Now, what is the result of this? Well, first the American people are getting a great deal more value for their food and clothing dollar. Secretary Hardin, at our Cabinet table, often eloquently makes this point: We are the best fed people in the world—except for the 3500 that were not able to get served tonight, I understand, at this convention.

But despite all the talk about high farm prices and support prices and the rest, when you add it all up, the American housewife puts a smaller percent of her budget into food than any housewife in the world today. That is to the great credit of American agriculture.

Now, many of you have been reading about the crisis we have in our international balance of payments. But let's look at what agriculture does for us in this field. We find that our agriculture exports have reached a record high. Without our agriculture exports, which we trust will continue to grow as we open up the markets abroad, without those exports we would be in a crucial position in this field of balance of payments.

America today is number one in the world in productivity in agriculture, and I say, let us stay number one by seeing that our farmers get their fair share of America's increasing prosperity.

Now, I will be preaching somewhat to the choir as I talk about the dairy industry. The dairy industry has helped to lead the way in achieving this remarkable rate of progress. The amount of milk produced per man year has increased fourfold in the last 20 years, even better than the average for agriculture generally. No industry in America, no major industry, can match this increase in productivity of the dairy industry.

Within the industry this organization has been one of the strongest forces in blazing new economic trails. This is America's largest dairy cooperative. You have moved effectively to help improve the quality, expand the variety, increase the volume of American dairy products.

Let me share with you a personal recollection when I speak of the quality of American dairy products. I mentioned the end of World War II. I recall as I returned after spending 14 months in the Pacific what I really wanted most in terms of the food on the table. Out there it wasn't bad but, of course, everybody gripes about the food when he is in the service. You know what it was—not a steak or none of the other things that you usually think of—just a glass of good, fresh milk, something we never had abroad. You don't have to go back that far. I remember a trip of 70 days I took as Vice President in the year 1953 to Asian nations and in country after country abroad, just getting a glass of good, fresh milk was almost impossible. It is improving around the world, but let me tell you, we in America should be thankful that we can get good, fresh, healthy milk any time we want it on our tables in the United States.

You have pioneered in developing a "total marketing concept," a concept which many other producers, I think, would do well to consider. All of this you have done on

your own. You haven't whimpered helplessly about uncontrollable economic forces nor waited passively for Government to bail you out.

For its part, the Government has been working to create a climate in which such initiatives will receive their just reward. We're encouraged to see that cash receipts for dairy farmers have risen some 5 percent this year. That is not as much as we would like; it is, however, a significant gain. We look for even greater progress in the future.

Even as we have been working to increase farm income, we have also been working to reduce farm costs. A moment ago I pointed out the challenges that we face as we move from war to peace. One of those challenges is that war always leaves a legacy of inflation.

On August 15, I decided that a time had come for us to crack down on inflation because when we consider it, inflation is the cruel economic culprit that relentlessly whipsaws every family in America and every farm family in particular. You know the truth of this statement that I will now make. Inflation hits the farmer coming and going—it raises both the cost of living *and* the cost of farming. The result is a brutal cost-price squeeze.

The figures are striking. The prices farmers pay for all items have gone up 52 percent in the last 20 years while the prices they receive have gone up only 8 percent in the same time. Like a great invisible vise, inflation has been crushing our farm families and farm communities for many years now and this can be said about family after family in other walks of life as well. It is time that they got some relief.

Our new policies offer that relief. More than that, these policies promise, for the first time in many years, to achieve a new prosperity for farmers, for all Americans—prosperity without inflation and without war. This is a goal to which all Americans, I am sure, will subscribe.

I have spoken to this convention tonight about the contribution you have made, you in agriculture generally, to America's competitive position. I have spoken about the enormous contribution that your productivity makes to America in this critical time.

Let me now refer to another area in which this great audience, coming from the heartland of America—and the heartland of America is all over America—particularly centered in this area, of course. Let me indicate another area where your contribution has been and can continue to be decisive. That is in developing the spirit that America needs if we are going to maintain our competitive position in the world.

As we speak of that spirit, let me say that as I have traveled over the country I am convinced that it is strong. I am convinced that the people of this country are ready to respond to a challenge to compete. But I think it is important for us to remind ourselves at this time that if America is not to fall behind in this period of greater competition with our friends abroad, that it is going to be necessary for us to strengthen our spirit in several areas.

First, with Labor Day approaching, let us recognize in this country the dignity of work. By "the dignity of work" I should like to point out what was to me a rather disturbing report I read a few weeks ago with regard to some individuals on welfare in one of our cities who refused to take jobs because they considered those jobs to be menial.

Ladies and gentlemen, when I was growing up, my father at various times was a carpenter, he was a streetcar motorman, he was a farmer, he worked in a filling station, and he worked in the oil fields. I suppose you could call that menial, but I say that any job which provides self-support, self-reliance, self-respect, and human dignity is not menial in America.

So on this Labor Day let us recognize the dignity of men and women who work, whatever that field may be—the farmer, the worker, the laborer, 80 million of them. That's what made America what it is, and by recognizing that dignity, we can continue to be productive.

Then, second, it is necessary for us to recognize that in this Nation there are times when it is necessary for us to make some sacrifices. I do not speak of the sacrifice of life; I speak of sacrifices that do not even approach that ultimate sacrifice.

I again refer to the wage-price freeze. Certainly there is not any question but that some people who had their wage increases deferred, and others who were unable to raise their prices suffered a hardship. But where, by some individuals giving up a wage increase, and others giving up a price increase, we can stop the cost of living for all Americans—that is worth sacrificing for.

I am confident that with 70 percent of the American people, as indicated by various polls, supporting that proposition, that the spirit of sacrifice for the good of this whole country is still alive and strong in this country.

Then, finally, there is one other element of the American spirit to which I have already alluded. It very simply is this: It is essential in this period that the United States of America, as a nation, and the American people as a people, never resign themselves in any area to be second best. I do not suggest that America has to be first in everything. I do not suggest that we will be first in everything. But I do know this: Once a nation ceases trying to be number one, that nation will not be a great nation. Let it not happen to America.

One hundred ninety-five years ago America was almost a totally agricultural country, 3 million people, weak militarily, poor economically, and yet that small country on the Atlantic seaboard caught the imagination of the world. It was the hope of the world, not because of its wealth or its strength, but because the spirit of America was strong.

Americans then were proud of their country. They had a sense of destiny. They had a drive and a desire to do better, to have greater freedom, greater opportunity, greater progress than any nation in the world. It is that

spirit that brought America where it is today. It is that spirit that America needs in this period when we are the richest nation and the strongest nation.

Without that spirit, all the wealth and all the strength in the world will be nothing. With that spirit, America can provide the leadership which will mean peace for a generation, we trust, and longer, for our children in the years ahead, and prosperity without war.

As I speak to this great audience coming from all over America, I feel that the spirit of competition, the spirit of hard work, the spirit of putting America first when it requires sacrifice, that it is strong in this organization. I think the future of America is in good hands, and I wish you well in everything that you do.

Ladies and gentlemen, since this is a bipartisan audience, and since we have Members of the House and the Senate, both Democrats and Republicans here, wouldn't you like to have them all up here on the platform with me for a moment?

All the Members of the House and Senate. There they are. Give them a hand.

Now, if any of you happen to go to Washington and visit the House or the Senate, right now you probably see more than on an ordinary day you will see on the floor of the House or the Senate.

Thank you.

NOTE: The President spoke at 8:47 p.m., c.d.t., in McCormick Place, Chicago, Ill.

Disaster Assistance for New Jersey

*Announcement of Disaster Declaration and
Authorization of Federal Assistance for Relief Measures
After Tropical Storm Doria. September 4, 1971*

The President today declared a major disaster for New Jersey authorizing the use of Federal funds to supplement State and local resources for relief measures after heavy rains from the recent tropical storm Doria caused widespread flooding in New Jersey. The President acted at the request of Governor William T. Cahill.

Today's action by the President makes available Federal funds for disaster assistance including individual assistance, debris clearance, and repair or restoration of publicly-owned sewer and water systems, roads, streets, and bridges, and other public property damaged by the flooding.

Leo McNamee, of the President's Office of Emergency Preparedness, Region 1, is coordinating the Federal response and administering the President's funds allocated to this disaster.

39. In mid-September 1971 newspaper articles were published about AMPI's contributions suggesting they influenced the March 1971 milk price support decision. According to reports filed with the Clerk of the House of Representatives, AMPI made no direct contributions to the President's re-election campaign after September 10, 1971.

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39.1 Memorandum from Gordon Strachan to H.R. Haldeman, September 24, 1971 (received from White House). ...	848
39.2 <u>Wall Street Journal</u> , September 27, 1971, 1, 12. ...	849
39.3 <u>Washington Post</u> , September 27, 1971, A1, A14.	852
39.4 Memorandum from Gordon Strachan to H.R. Haldeman, September 28, 1971 (received from White House). ...	861

- 2 - Note: The Committee has on file copies of the TAPE (AMPI political trust) reports to the Clerk of the U.S. House of Representatives.

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THE WHITE HOUSE
WASHINGTON

001769

Administratively Confidential

September 24, 1971

MEMORANDUM FOR:

H.R. HALDEMAN

FROM:

GORDON STRACHAN G

SUBJECT:

Milk Money

Jerry Landauer of the Wall Street Journal is reputed to be preparing an article on the "milk money" situation. He has contacted Bob O'Dell at the RNC and mentioned a figure of \$2 million. Landauer has not called Lee Nunn or Hugh Sloan but told O'Dell he would "call his old friend Chuck Colson and get the details".

John Dean and Chuck Colson have been advised.

THE WALL STREET

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EASTERN EDITION

MONDAY, SEPTEMBER 27, 1971

JOURNAL.

MICROWAVE TRANSMISSION—PRINCETON, NEW JERSEY

15. CENTS

Milk and Money

Flood of Cash to Help Nixon Campaign Follows Hike in Dairy Supports

Industry Funnels Donations Into Front Groups Pledged To President's Reelection.

Backing the 'American Dream'

By JERRY LANDAUER

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — One morning last March Secretary of Agriculture Clifford Hardin announced a sudden change of mind that's still paying off both for the nation's dairy farmers and for President Nixon's political financiers.

Mr. Hardin revealed that he was raising government price supports for "manufacturing" milk, a basic grade used to make butter and cheese. Just two weeks earlier, he had declared there would be no change in support levels. His reversal of policy came 48 hours after a dozen disgruntled dairymen visited President Nixon in the Cabinet Room of the White House.

To dairy farmers, the increase in supports means higher prices for their products; the government is committed to purchase, if necessary, enough dairy products to keep the prices up at the new levels. To Mr. Nixon's political money men, the policy reversal means an outpouring of perhaps \$1 million in campaign gifts for the President's 1972 reelection campaign from the grateful milk lobby. Of this expected total, \$250,000 has already arrived, mostly through secret channels.

Separate Bank Accounts

Instead of routing the dairy dollars through established national fund-raising committees, which are required by law to disclose the recipients of their money, Republicans are operating an underground network of more than 11 "voluntary associations." These groups operate in only one legal jurisdiction, the District of Columbia, and thus needn't be publicly registered; the District has no law governing local political committees. Each of the new "associations" accepts relatively small sums for stashing in separate bank accounts until the Nixon reelection campaign is in need.

Last month, for example, a dairy-industry political fund called the Trust for Agricultural Political Education (TAPE), based in Austin, Texas, sent \$2,500 to each of 50 such associations that exist mainly on paper. All the associations are in the Washington area, nearly all are headed by local Republicans, and all bear such unrevealing titles as Americans for Greater Public Awareness, Organization of Citizen Politicians, League of Involved Citizens, Supporters of Rational Federal Reorganization or Committee for Political Integrity.

The names were all concocted by Republican workers and delivered to TAPE's treasurer so he would know how to write the checks. The names in no case convey the entire purpose of the associations. For as stated in every charter (all 50 charters are identical) the mission is to "work for the renomination of President Richard M. Nixon." And after the GOP national convention next year, the charters specifically make clear, the remaining funds can be transferred in secrecy to committees working for Mr. Nixon's reelection.

TAPE, an arm of the Associated Milk Producers Inc., a giant cooperative counting 44,000 farmer-members from Canada to the Gulf Coast, is one of three industry-sponsored political funds that seems well-stocked with Republican-supplied titles of committees set up to protect the identity of the dairy donors.

Some Unlikely Addresses

Twelve other Nixon-supporting groups, including the Americans Working to Build a Better Community Committee and the Supporters of the American Dream Committee, have each received \$2,500 checks from the trust for Special Political Agricultural Community Education (SPACE), a Southeastern co-op's political fund based in Louisville. And six more groups, including Americans United for an Informed Electorate and Americans United for Decent Government, got checks in the same amount from Agricultural and Dairy Education Political Trust (ADEPT), a fund tied to mid-America Dairyman Inc. of Springfield, Mo.

Haste in setting up dozens of dummy groups in time to receive the dairy industry's flurry of checks resulted in establishment of some at unlikely addresses. One association, Americans United for Better Leadership, operates from a Washington ballroom. The ballroom operator and the association chairman is Mrs. Edward L. Feggans; her husband is vice chairman of the District of Columbia Republican Party.

Sometimes, too, the hurried organizing trapped registered Democrats into unwitting service. Maurice S. Williams, an electrical contractor who voted for Hubert Humphrey in 1968, accepted the chairmanship of League for Concerted Action at the request of a Republican friend. His two-officer league (there are no members) received \$2,500 from TAPE on July 19. Yet there's little danger that the Democrats can siphon off any dairy dollars; in nearly all cases, the treasurers of the voluntary associations are ladies employed by Union Trust Co., a Washington bank having several Republican bigwigs on the board.

Donors Are Mum

For their part, the donors to these dummy groups won't say for what purpose they're making political contributions nor even whether the money is intended for Republicans or Democrats. "We really don't care to talk about it," says Robert O. Isham, treasurer of TAPE.

The donors comply with federal campaign-finance laws—which do govern them though not the beneficiary groups—by listing the non-partisan-sounding recipient associations in reports filed with the clerk of the House of Representatives, asserts Mr. Isham. "We've abided by every law we're aware of," adds James E. Mueller, treasurer of SPACE.

Indeed, funneling of political money through paper organizations can be perfectly legal under existing, loophole-riddled federal law. (The Senate has passed a reform bill eliminating most loopholes and a House committee is working on similar legislation.) Federal statutes don't cover political committees operating in a single state or jurisdiction; and because

Please Turn to Page 12, Column 5

Milk and Money: Dairymen Pour Cash Into Nixon War Chest

Continued From First Page

the District doesn't regulate local committees, campaign cash can be transferred into or among committees here without any need to tell who's giving or getting.

Significantly, the dummy groups were all organized after Secretary Hardin satisfied the dairy lobby by boosting price supports on March 25. There wasn't any need for earlier organizing because the dairymen kept their political purses mostly shut until they had won their fight.

TAPE, for example, collected \$149,364 in January and February, all in sums of less than \$100 from farmers voluntarily contributing one-third of one percent of their milk checks. But during those two months the fund disbursed just \$6,450, all to candidates for Congress.

On March 11, "after careful review of the situation and the provisions of law," Secretary Hardin pegged price supports for manufacturing milk in the marketing year beginning April 1 at \$4.66 a hundred pounds, the same as for 1970; when market prices fall below the support level, the government begins buying butter, cheese and nonfat dry milk, assuring the farmer a place to sell at guaranteed prices. The Secretary said raising supports might prompt overproduction, glutting the market and piling surpluses into government warehouses. "We must avoid this," he declared.

The President's Council of Economic Advisors approved the Hardin refusal to push props higher, according to Hendrik S. Houthakker, who was a member of the council at the time though he later resigned. Mr. Hardin's refusal also was cleared through the Office of Management and Budget.

Then on March 22, one day before the dozen dairy spokesmen visited with the President in

the Cabinet Room, TAPE donated \$10,000 in chunks of \$2,000 and \$3,000 to four regularly operating Republican committees.

At the White House next day the dairymen gave Mr. Nixon a strong pitch for higher supports. But no assurances were given and no participant mentioned political contributions, according to John Butterbrodt, president of Associated Milk Producers, who has 40 registered holsteins at his farm in South-central Wisconsin. "Those things aren't discussed at meetings like this," Mr. Butterbrodt says.

Next day, however, the SPACE fund gave \$25,000 in five \$5,000 donations to regular Republican committees (Democrats got nothing), and on March 25 Mr. Hardin changed his mind, announcing a 27-cent increase in price supports to \$4.93 a hundred pounds. This sudden switch surprised Mr. Houthakker. "I'd say it could cost consumers hundreds of millions of dollars because retail prices depend indirectly on support prices," he reasons.

But if some of the President's economists disagreed with the Hardin move, Mr. Nixon's political operatives surely must have been pleased, for the dairymen were seized by generosity. On April 5, ADEPT, the third industry fund, gave \$45,000 in equal slices to nine established Republican committees.

At about that time the former director of congressional relations at the Transportation Department, Bob Bennett, started organizing dummy committees. He assumed the chairmanship of Americans United for Economic Stability, and Mrs. Bennett agreed to head up Americans United for Decent Government. "I contacted a few people and suggested that they contact a few others," Mr. Bennett says. "What we had was sort of a chain-letter approach." Neither Mr. Bennett nor any other association chairman will identify the higher-up on Mr. Nixon's political team who got the chain going.

Clearly, though, it's hardly a coincidence that SPACE and ADEPT have each ladled \$60,000 into Republican causes, including the dummies. The richer TAPE has so far contributed \$125,000, and there could be much more to come; the big fund's 1971 income through Aug. 31 exceeded its spending by \$500,000.

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Dairy Cash Pours in to Dummy Committees
MILKING DOLLARS FOR NIXON

The League for Concerted Action has never met the Committee for a Better Nation but they have a lot in common.

Both are part of a huge stable of dummy committees with high-sounding names that have started collecting money for the re-election of President Nixon. Both have "chairmen" who profess only a nodding familiarity with the names of their own organizations and no knowledge at all of the thousands of dollars ostensibly sent to their homes.

Despite that, reports on file with the clerk of the House indicate that these committees, and dozens more, have already picked up a collective total of \$170,000 from the Nation's dairy farmers alone. The cash it seems, goes straight to the bank.

"There must be some mistake," said Frederic C. Towers, an investment broker whose home in Bethesda is listed as the address of the Organization of Community Volunteers, one of 68 committees that were sent \$2,500 each. "I never heard of that group."

W. Carter Bowles Jr. an attorney with the Washington firm of Covington & Burling was less surprised but even more indignant about the use of his address. The Trust for Agricultural Political Education (TAPE) of San Antonio, Tex., reported sending \$2,500 this summer to the Americans Organized for Political Stability at 10100 Bencross Dr., Potomac, Md. which is Bowles' home.

"To say that I am not pleased is an understatement," Bowles said, adding that a friend told him about the reported contribution just a day or two ago. Bowles said he is not a member of Americans Organized for Political Stability and is not aware of anyone who is. "It is not authorized by me," he said.

Other organizations listed as receiving the campaign contributions do have their spokesmen, however. The money, they say, is to be used for Mr. Nixon's campaign even though it wasn't sent to them.

"It may have gone directly to the treasurer," said Maurice S. Williams, an electrical contractor whose Landover, Md., home was listed by TAPE as the headquarters of the League for Concerted Action. He said any donations, as he understood it, were to be turned over to officials at the Republican National Committee. The League, Williams said, is simply a "funnel" for campaign cash.

"It was set up mainly to pour in funds for Richard Nixon," Williams said. "Some people like to donate anonymously. You know."

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Williams said he was chairman of the League, or some committee with a name like that, but said he couldn't recall who his treasurer was. He said he has no connections at all with the dairy industry. He's just for Mr. Nixon.

So, apparently, is TAPE, the political arm of the Associated Milk Producers Inc., a fast-growing "super co-op" with 32,000 member farms in 20 states. Last spring, TAPE and two other political action funds for dairymen reported contributions totaling \$85,000 to various Republican fund-raising committees just before and just after the Nixon administration granted an increase in milk support prices.

TAPE also donates to Democrats, but on July 9, according to its most recent report on political spending, it sent contributions of \$2,500 each -- a total of \$125,000 into 50 organizations scattered about the Nation's Capital. The titles offer enough for anyone's tastes, from the Association of Political Activists to the Organization of Moderate Americans to Americans United for Objective Reporting to, simply, Americans Concerned.

Subsequently, on Aug. 19, the Trust for Special Political Agricultural Community Education (SPACE) an ad- arm of Dairymen, Inc. paid out \$30,000 in lots of \$2,500 each to another 12 committees.

The next day on Aug. 20, the Agricultural and Dairy Educational Political Trust (ADEPT), the political arm of Mid-America Dairymen sent \$15,000 to six more organizations again all with metropolitan Washington addresses.

"Each of those committees has a treasurer," TAPE's treasurer Robert D. Isham said in a brief telephone interview about the 50 organizations that got money from his office. "We have signed receipts and legal opinion that these committees are proper in complete accordance with the Corrupt Practices Act."

Isham refused to say where TAPE got the list of organizations and claimed _____ to know where its money would eventually end up.

"Really, I don't care to discuss it any further," he said when asked if GOP officials had supplied the names and addresses. He also refused to say just where the contributions had been sent. The treasurers of SPACE, which has its offices in Louisville, Ky. and ADEPT, which is located in Springfield, Mo. could not be reached for comment.

The contributions, however, have apparently been deposited at the Union Trust Co. whose office building at 15th and H Streets N.W., is recorded as the home of 25 of the committees on TAPE's list. None is listed on the building directory, but Union Trust vice president Robert Lee O'Brien Jr. confirmed that the bank has been getting a substantial number of new organizational accounts, set up by people "in the political scene," virtually all of them Republicans.

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'A Gathering Place'

"All we are is a gathering place for the funds," O'Brien said. He declined to say who opened the accounts or who had authority to write checks on them.

Washington attorney John Y. Merrell said he couldn't even recall what bank the money was going to. One of the recipients of ADEPT's contributions, the Organization of Involved Americans, has its address at Merrell's office in Washington and another, Americans United for Political Awareness, at his home in Arlington. He heads one, he said, and his wife is chairman of the other. But he wasn't sure which was which.

Of the money, he said, "It goes into a bank account. It's in my committee's name. But I don't run it."

A solid supporter of Mr. Nixon, Merrell said he was enlisted several months ago by a public relations man named Robert F. Bennett who told him "they were going to form some committees and work for Richard Nixon."

"I'm just curious," Merrell told a reporter at one point. "How many are there?" He chuckled when told between 60 and 70.

Merrell said he had no idea how his committee or any of the others were to get their donations. "He (Bennett) didn't tell me," Merrell said. "We didn't discuss it in any great detail." Bennett could not be reached for comment.

Sampson P. Holland of 1809 Varnum St. N.W., a consultant for Remington Rand, said he couldn't even recall who enlisted him. His home is listed on TAPE's report as the headquarters of the Committee for a Better Nation while Remington Rand's address at 2121 Wisconsin Ave. NW is recorded as the home of Americans for a Sensible Agricultural Policy.

Holland said he'd never heard of Americans for a Sensible Agricultural Policy. "That's not the name I had," he declared. Asked whether he had lent his name to the Committee for a Better Nation, he said, "That might be the one...Did they get \$2,500? I didn't get it...But if the money is for Mr. Nixon, I'm for it."

Enlisted by Friends

Nominal heads of several of the committees enlisted others. John H. Middleton, a retired Government attorney, said he was asked by a friend, Jesse R. Smith, "to serve in the interests of the Republican Party. I agreed, principally to prevent the Kennedy family from taking over again. If it were Democrat, I would have refused most flatly."

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Two organizations, the Association for More Effective Federal Action Committee and the Americans for Better Federal Planning Committee, are listed as having their offices at 3201 Morrison St. NW, which is Middleton's home. SPACE reported giving them a total of \$5,000.

"I believe my wife is on one and I'm on the other," Middleton said. "It's been some time since I was asked."

Just back from a summer in Utah, Smith, whose home on Garrison Street NW, is supposed to be headquarters for Americans Working to Build a Better Community Committee, said he's gotten "nothing at all" in contributions himself, but was delighted to hear they were starting to come in, including \$2,500 for his committee. He said he intended to check on the status of its bank account at Union Trust the first of the week.

Smith said he was asked to participate by "someone at the (Republican) National Committee," but he said he couldn't recall who that was.

"I'm not trying to hedge or anything," he said. "They sent me the cards to set up this committee, to let my name be used. There are two or three that I talked with. I've been active in the Republican Party for years...Whoever it is who's handling their publicity, that's who it was."

It was still unclear, however, who had taken the initiative in setting up the organizations and inventing their names. Lyn C. Nofziger, director of communications for the Republican National Committee, said yesterday that he was unaware of them.

Nofziger suggested that they might have been established by either the Republican National Finance Committee or the Committee for the Re-election of the President, both formal GOP organizations. Officials of neither group were available for comment yesterday.

Under the Corrupt Practices Act, the treasurer of a political committee is required to file quarterly financial reports listing, among other things, "the name and address of each person" who has contributed \$100 or more "to or for such committee...within the calendar year." The deadline for the most recent quarter, covering spending and contributions for June, July and August, was Sept. 10.

None of the paper committees has submitted a report thus far, according to records at the House file clerk's office. The names of their treasurers remain a mystery. Most of the committee "chairmen" said they couldn't recall the names. One, Robert H. Tarr of the League of Dedicated Voters in Silver Spring, declined to say.

"We'll make sure all contributions are properly reported," Tarr told a reporter, declaring that he had not been aware of the \$2,500 contribution TAPE reported to the League.

Mrs. Edward L. Feggans of 2504 South Dakota Ave. NE said she didn't even know the committees involving her had been set up. One,

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the Citizens for a Better Environment, is listed as having its officers at her home and the other, Americans United for Better Leadership, is credited with an address at the Northwest Gardens ballroom, a nightclub in a middle-class neighborhood that Mrs. Feggans runs with her husband. TAPE reported \$2,500 contributions to each group, but Mrs. Feggans said she never saw the money.

"This sounds to me like it's working up to something that doesn't smell right," she said, but then stressed that her husband, who was out of town, undoubtedly knew more about it.

"He's vice chairman of the Republican party in the city," she said. "He is Mr. Republican. I was just going along to help."

Mrs. Feggans said she was first told about serving on "this club that was going to be formed to re-elect President Nixon" when her husband returned home from a Republican party meeting about a month to a month and a half ago "at the most."

According to TAPE's report, however, the Citizens for a Better Environment and Americans United for Better Leadership had their titles and addresses by July 9 when the contributions were made.

The three dairy farm lobbies in any event began their 1971 GOP contributions last March 22 when TAPE gave \$10,000 to four Republican committees. The donations came just 10 days after Secretary of Agriculture Clifford Hardin announced there would be no increase in milk price supports for 1971.

Leading dairy farm spokesmen met with Mr. Nixon at the White House March 23. On the next day, March 24, SPACE gave \$25,000 to various GOP committees. A day later, on March 25, Hardin announced a price increase of 27 cents per hundredweight, saying that "continuing research" had turned up new information on rising farm costs.

Other contributions came in following weeks. On April 5, ADEPT gave \$45,000 to nine Republican organizations, from the Republican National Committee to the Republican congressional Candidates Conference. On May 7, SPACE was reported as giving another \$5,000 to the GOP's '72 kick-off dinner committee. Some of the GOP recipients of the dairy lobby's money, such as the Committee for a Republican Congress which got \$2,000 from TAPE, have had no other income all year.

The Committee for a Republican Congress filed its first-ever financial report with the clerk of the House on June 10, listing the TAPE contribution.

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The dairymen have said there was no connection between their campaign gifts and the government action. But their constituents voiced their thanks to Mr. Nixon with a warm reception at the President's appearance before them in Chicago earlier this month.

Stopping for a visit to the Associated Milk Producers convention there Sept. 3, Mr. Nixon was met by 40,000 dairy farmers and relatives gathered at cavernous McCormick Place for what was billed as "the largest farm meeting in history." The President praised them for their self-reliance, but he won his biggest applause when he told them what he most wanted "in terms of food on the table" on returning home from duty in the Pacific in World War II.

"You know what it was," he told the throng. "Not a steak or none of the other things that you usually think of -- just a glass of good, fresh milk..."

- 30 -

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The Weather

Today—Variable clouds with the upper 70s and 80s. A high 30 per cent chance of rain tomorrow. Tuesday—Partly cloudy with a high 70s. Wednesday—Partly cloudy with a high 70s.

94th Year No. 206

Dairy Cash Pours In to Dummy Committees

Milking Dollars for Nixon

The address of the Organization of Community Volunteers, one of 65 committees that were sent \$2,500 each, I never heard of that group," said a Mr. Bowles Jr. an attorney with the Washington firm of Covington & Burling, but he was less surprised but even more reluctant about the use of his name. The Trust for Agricultural Education (TAFE) of San Antonio, Tex., reported sending \$2,500 this summer to the Americans Organized for Political Stability at 10100 Rantowles Dr., Potomac, Md., which is Bowles' home.

To say that I am not pleased is an understatement," Bowles said, adding that a friend told him about the receipt of contribution just a day or two ago. Bowles said he is not a member of Americans Organized for Political Stability and is not aware of anyone who is. It is not authorized by me, he said.

Other organizations listed as receiving the campaign contributions do

have their spokesmen, however, the money, they say, is to be used for Mr. Nixon's campaign even though it wasn't sent to them.

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See FUNDS, A14, Col. 1

The Washington Post

Times Herald

MONDAY, SEPTEMBER 27, 1971

Phone 223-6000

39.3 Washington Post

Post

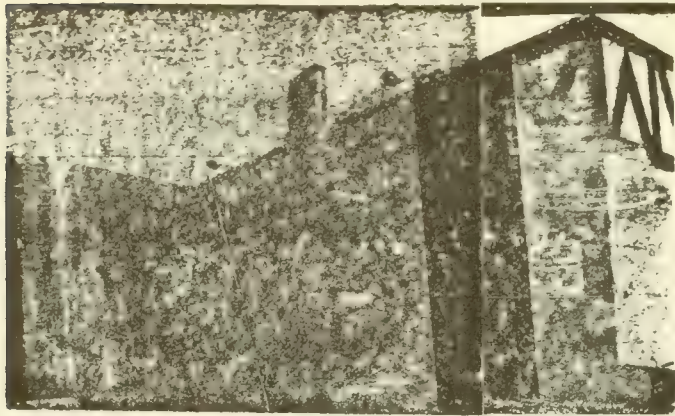
So, apparently, is TAPE, the political arm of the Associated Milk Producers, a fast-growing "super group" with 32,000 members in 20 states. Last year, TAPE and two other political-action funds for farmers reported contributions totaling \$85,000 to various Republican fundraising committees just before the election and just after the Nixon administration grant-price increase in milk supplies.

TAPE also debates to Democrats, but on July 8, according to its most recent report on political spending, it contributed \$2,500 to 50 organizations scattered about the Nation's capital. The titles offer enough for anyone's tastes, from the Association of Political Activists to the Organization of Moderate Americans to Americans United for Objective Reporting to, simply, Americans.

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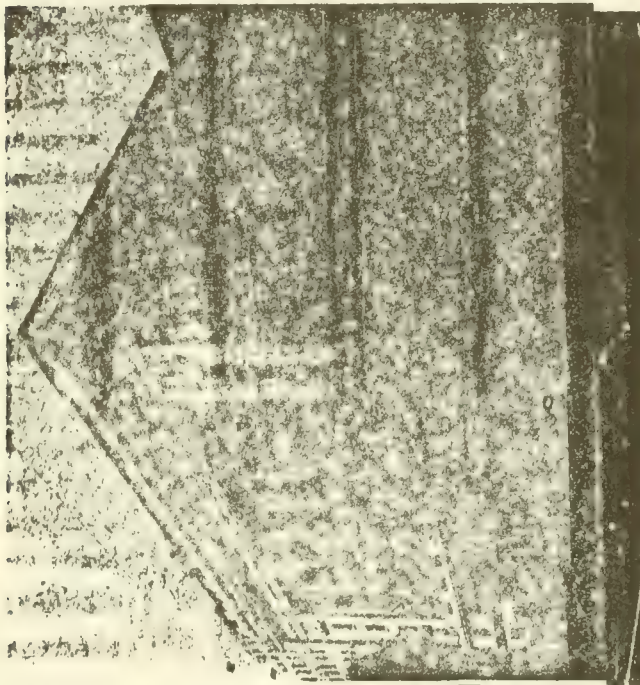
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The headquarters of Americans United for Better Leadership is listed as 125 Kennedy

St. NW, the address of the Northwest Gardens Ballroom and restaurant.

Ken Pell—The Washington Post



By Lora Wheeler—The Washington Post
Ten House committees are listed in Union Trust Building, but the building directory gives no hint of their presence. If use records as being housed in the

The three dairy farm lobbies in any event began their 1971 GOP contributions last March 22 when TAPE gave \$10,000 to four Republican committees. The donations came just 10 days after Secretary of Agriculture Clifford Hansen announced there would be an increase in milk prices starting in 1971.

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THE WHITE HOUSE

WASHINGTON

September 28, 1971

001728

ADMINISTRATIVE BY CONFIDENTIAL

MEMORANDUM FOR:

H. R. BALDWIN

FROM:

GORDON STRACHAN G

SUBJECT:

Milk Money

Three matters of interest developed following the articles in the Washington Post and the Wall Street Journal (copies attached).

- 1) The Clerk of the House reports filed by the milk people were done incorrectly. This resulted in the disclosure of several of the committee chairmen, who talked with the reporters. John Dean has suggested changes in the form to preclude any further disclosure when the reports are filed again.
- 2) The RNC (Lyn Nofziger and Ab Herman) have been answering reporters calls to the RNC. Unfortunately they have referred some calls to Lee Nunn, who has pleaded ignorance or "if the money is coming to us, we haven't seen any of it yet" (which is true because the full 232 transferred is held in committees controlled by the milk producers' treasurer).
- 3) Colson sent a memorandum noting a Justice Department Anti-Trust Division investigation of the milk producers association exemption, which was upheld by the District of Columbia Federal District Court in 1956. Colson urges his own non-involvement. John Dean is checking this report on a very low key basis. ~~Attaching paper for the Attorney General is attached.~~

John Dean has been watching this matter closely as well as the Common Cause suit, which has received some media coverage by mentioning Jack Gleason.

NEW ODD PAGE

40. On November 22, 1971 Deputy Assistant to the President John Whitaker prepared and signed a "Memorandum to the President's File" dated that day regarding the President's afternoon meeting of March 23, 1971 on milk price supports. Thereafter the memorandum was re-dated to March 23, 1971. On July 11, 1973 the file copy of the memorandum dated November 22, 1971 was listed under claim of executive privilege in civil litigation in United States District Court challenging the March 1971 milk price support decision as being unlawfully based on political considerations. On November 16, 1973 Special Counsel to the President J. Fred Buzhardt filed the affidavit informing the court of the fact that the memorandum had been re-dated. Buzhardt stated in the affidavit that it had been informally ascertained from the originator of the memorandum that the date on the original was apparently changed by persons unknown.

	Page
40.1 Memorandum from John Whitaker to the President's file, March 23, 1971 (received from White House). ..	864
40.2 Memorandum from John Whitaker to the President's file, November 22, 1971 (received from White House).	865
40.3 <u>Nader v. Butz</u> docket, July 11, 1973, November 16, 1973.	867
40.4 J. Fred Buzhardt affidavit, <u>Nader v. Butz</u> , November 16, 1973.	869
40.5 Leonard Garment affidavit, <u>Nader v. Butz</u> , July 5, 1973.	873

THE WHITE HOUSE

WASHINGTON 40.1 John Whitaker memorandum

March 23, 1971

CONFIDENTIAL

001296

MEMORANDUM FOR THE PRESIDENT'S FILE

FROM: John C. Whitaker

SUBJECT: Meeting with Secretary Connally, Secretary Hardin,
George Shultz, Don Rice, John Ehrlichman,
John C. Whitaker
Tuesday, March 23, 1971
(5:05 - 5:38 p.m.)

You worked out a strategy to announce that the Administration was reversing Secretary Hardin's decision and increasing the milk price support to 85% of parity.

The essential format was that Carl Albert and Wilbur Mills were going to pass a bill for a mandatory increase in milk price supports. The collective judgment was that the Democrats had the votes to pass the bill and give them a strong issue if you vetoed the bill.

After requesting Secretary Hardin to do all in his power to make sure the milk people did not over-produce and ruin their market (the basis for Secretary Hardin's original decision not to raise price supports) you decided to have Secretary Hardin reverse his decision publicly.

Indistinct document retyped by
House Judiciary Committee staff

November 22, 1971

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November 22, 1971

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT'S FILE

FROM: John C. Whitaker

SUBJECT: Meeting with Secretary Connally, Secretary Hardin,
George Shultz, Don Rice, John Ehrlichman,
John C. Whitaker II
Tuesday, March 16, 1971
(5:05 - 5:33 p.m.)

001259

You worked out a strategy to ... administration ... the ...

... agreement was that ... after ...

After expressing ... in his ... to ...

WA

CIVIL DOCKET

United States District Court for the District of Columbia

JAMES NADER, ET AL vs. EARL H. BUTZ, ET AL C. A. No. 148-72 Supplemental Page 1

PROCEEDINGS

DATE

1973		
July	5	STIPULATION of counsel extending time to answer motion to compel to 7/6/73. Approved (fiat) Jones, J.
July	6	STIPULATION per all counsel extending the time for White House Custodian of Records, Custodian of Records of OMB, Custodian of Records of the Council of Economic Advisors to respond to plffs' motion for order to compel compliance with subpoena duces tecum and for in camera inspection to and including July 10, 1973.
July	11	OPPOSITION of defts to plffs' motion to compel compliance with subpoenas duces tecum and for camera inspection; P&A; Affidavit; c/m 7/10/73.
July	13	REPLY of plffs. to defts. opposition to motion to compel; c/m 7/12/73.
July	27	MEMORANDUM on documents subject to subpoena duces tecum; attachments (3) c/s 7/27/73.
July	27	MOTION of plffs' for in camera inspection of documents, argued and granted. (OTBP) (Rep: Gloria Horning) Jones, J.
July	27	CONSENT order granting motion of plffs. in C.A. 148-72, William Dobrovir and Andra N. Oakes, with respect to record of organizations soliciting funds for the president from 1-1-71 to 4-7-72, pursuant to the Courts order of 11-1-72 and permitting them to inspect and copy certain documents unsealed or sealed pursuant to subpoena duces tecum served 3-19-73, and that no one shall disclose, publicize, comment upon any testimony, documents produced, subject to seal of the Court until further order. (Order signed 7-26-73.) (N) Waddy, J.
Aug	1	ORDER granting plffs' motion for in camera inspection of certain documents; directing that the Custodian deliver these documents to the Court by August 16, 1973. (N) (filed in open Court) Jones, J.
		(OVER)

CIVIL DOCKET

United States District Court for the District of Columbia

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BUTZ

C. A. No. 148-72... Supplemental Page No.:

DATE	PROCEEDINGS	FE
1973		
Nov 13	NOTICE of pltfs. to take deposition of W. Pat Jennings. c/m 11-13	
Nov 14	MEMORANDUM of pltfs. summarizing the purport of discovery taken in this case to date. c/m 11-14	
Nov 16	OPPOSITION of defts to pltfs' motion to disqualify the Department of Justice from representing the White House Custodian of Records. c/s 11-16	
Nov 16	OPPOSITION of defts. to pltfs' motion for an order to show cause why the White House Custodian of Records Should not be held in contempt., affidavit, P&A. c/s 11-16	
Nov 16	CERTIFIED copy of order of USCA dismissing motion for extension of time to file brief, dismissing motions for summary affirmance, to dismiss the appeal, and directing Clerk to remove the appeal from the docket.	
Nov 16	MOTION of pltf to vacate stay order of 8-20-73 argued and granted. (OTBP) (Rep: Jack Maher) Jones, J.	
Nov 16	ORAL motion of pltf to withdraw show cause order filed by pltf heard and granted. (OTBP) (Rep: Jack Maher) Jones, J.	
Nov 16	MOTION of pltf to compel production of documents heard in part and continued indefinitely. (OTBP) (Rep: Jack Maher) Jones, J.	
Nov 20	TRANSCRIPT of proceedings; November 16, 1973; Rep: Jack Maher; Court's Copy.	
Nov 21	NOTICE of pltfs. to take deposition of David Wilson; notice; schedule A, & B c/m 11-20.	
Nov 21	ORDER withdrawing motions of pltfs for an order to show cause why the White House Custodian of Records should not be held in contempt; to disqualify the Department of Justice from (OVER)	

35-942 868

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

RALPH NADER, et al.,)	
)	
Plaintiffs,)	
)	
v.)	Civil Action No. 148-72
)	
EARL H. BUTZ, et al.,)	
)	
Defendants.)	
)	
Washington,)	
)	ss.
District of Columbia)	

AFFIDAVIT

J. Fred Buzhardt, Special Counsel to the President of the United States, being duly sworn, deposes and says:

1. Pursuant to the order of this Court dated August 16, 1973, in consultation with Leonard Garment, Acting Counsel to the President and with counsel for defendants in this action, I have undertaken a continuing and further search of files in the possession of the White House Office in order to locate documents sought by plaintiffs. On September 17, 1973 I executed an affidavit in this action, setting forth the results as of that date of the search of the files in response to this Court's order. I now make this affidavit to set forth the current results of the continuing search being conducted in response to this Court's order and the subpoenas served by plaintiffs.

2. In my affidavit of September 17, 1973, I indicated that the search would continue and would be completed as rapidly as possible consistent with the breadth of the plaintiff's request, the number of files involved and the availability of manpower to perform the search. I also indicated that I would file an additional report with the Court within 30 days of that date. Such file search has been continuing. However, due to the demands being made on the personnel available and assigned to perform the search

by reason of other important litigation also pending before this Court which is being conducted on an expedited basis, it has been virtually impossible to devote sufficient time to report more rapidly to the Court on the status of the continuing search.

3. The continuing search to date has failed to disclose the existence in the Executive Office of the President of logs or diaries of Messrs. Haldeman, Ehrlichman, Dean, Chotiner and Sloan. Such search is continuing with respect to logs and diaries of Messrs. Colson, Strachan, Cashen, Dent and Whitaker.

4. In connection with the continuing search, the following documents or records have been located:

a. Card file records which would indicate any meeting or telephone conversation between the President and any individuals on Schedule A attached to the notice of deposition served upon the White House Custodian of Records if such individuals had a meeting or conversation with the President during the period designated in the notice. However, these logs merely indicate the time and place of any Presidential meeting at which the individual was in attendance or record of the fact that a telephone call occurred; these records do not reflect the subject matter of the meeting or telephone conversation.

b. A memorandum from one Presidential assistant to another Presidential assistant dated December 18, 1970 discussing the dairy industry and its representatives.

c. A memorandum dated March 23, 1971 from a Presidential assistant to the President's file concerning a Presidential meeting with other governmental officials involving decision making with respect to the dairy price support program. This memorandum, except for the date, is identical to the document previously described in the affidavit of Leonard Garment dated July 5, 1973, at paragraph 3(hh). It has been informally ascertained from the originator of the

memorandum that it was originally prepared on November 22, 1971 and so dated; the date on the file copy was apparently later changed by persons unknown to conform to the date of the Presidential meeting described therein.

5. In addition to the above documents, four additional documents were brought to our attention after being located in the files of a former Executive Office official who subsequently transferred to another governmental position outside the Executive Office. Those four documents, which would come within the scope of the subpoenas served by plaintiffs, are as follows:

a. Memorandum for the Staff Secretary dated March 20, 1971, from the Director of the Office of Management and Budget reporting on a meeting with the President of March 5, 1971, with various government officials and covering a wide variety of subjects, one of which related to dairy prices (A copy of this memorandum was also subsequently found in the files of the White House Office).

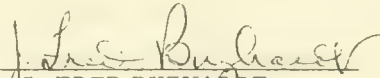
b. Memorandum for the Director of the Office of Management and Budget from an Assistant to the Director, dated March 24, 1971, on the subject of dairy price supports.

c. Memorandum from one Presidential assistant to another dated March 10, 1971, on the subject of cheese imports with a brief reference to parity levels, and with a covering note transmitting the memorandum to a third Presidential assistant.

d. An undated and unsigned cover note (attached to the copy of a memorandum for the President dated March 9, 1971, from a Presidential assistant, which has been previously identified in Mr. Garment's affidavit dated July 5, 1973, at paragraph 3(r)), which discusses the position of the Secretary of Agriculture on the price support level at that time.

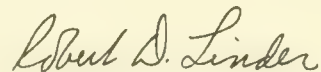
-6-

10. The search directed by this Court is still continuing at the most rapid pace possible, and your deponent anticipates filing an additional report with this Court in the near future.



J. FRED BUZHARDT

Subscribed and sworn to before me
this 16th day of November, 1973.



NOTARY PUBLIC,
DISTRICT OF COLUMBIA

My Commission expires:

April 14, 1978

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

RALPH NADER, et al.,)
)
 Plaintiffs,)
)
 v.)
)
EARL H. BUTZ, et al.,)
)
 Defendants.)

Washington,)
)
District of Columbia)

Civil Action No. 148-72

ss.

AFFIDAVIT

Leonard Garment, being duly sworn, deposes and says:

I am acting Counsel to the President of the United States and
I make this affidavit in support of the opposition filed by the
White House Custodian of Records, the Custodian of Records of
the Office of Management and Budget, and the Custodian of the
Records of the Council of Economic Advisers to plaintiffs'
Motion for an Order to Compel Compliance with Subpoena Duces
Tecum and for In Camera Inspection. The assertions of executive
privilege set forth herein are made at the direction of the President.

I have examined the subpoenas duces tecum and the Notice
of Deposition served in connection with the subpoenas calling for
the production of records. I understand that certain records
have been made available to plaintiffs. As to those records for
which objection has been asserted on the grounds of executive
privilege, I set forth the following description.

(gg) A memorandum from a presidential assistant to another presidential assistant, dated July 27, 1971, regarding a proposed speech by the President to a dairy farmer cooperative association to which is attached a memorandum containing various considerations for use in the proposed speech.

(hh) A memorandum, dated November 22, 1971, from a presidential assistant to the President's file concerning the dairy price support program.

(ii) A memorandum from a presidential assistant to the file, dated March 8, 1972, regarding the dairy price support program.

(jj) A memorandum from a presidential assistant to another presidential assistant, dated March 7, 1972, regarding the dairy price support program.

(kk) A memorandum, dated March 5, 1972, from a presidential assistant to another presidential assistant regarding the dairy price support program.

(ll) A memorandum from a presidential assistant to another presidential assistant, dated March 9, 1972, regarding the dairy price support program.

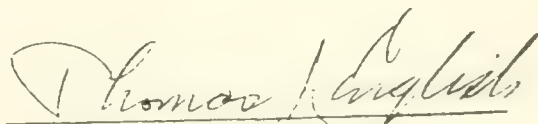
(mm) An undated and unsigned memorandum concerning the 1971 dairy price support program to which is attached a transcript of the television program "Issues and Answers" dated October 29, 1972. The first page and pages 16 and 17 of the transcript of the "Issues and Answers" program which relate to the dairy price support program have been furnished to plaintiffs.

relate to this litigation. The release of the contents of such documents would be injurious to the public interest and to the constitutional doctrine of the separation of powers since the President of the United States is entitled to receive frank recommendations, opinions and considerations from his staff and subordinates in the discharge of his constitutional powers. Any impairment of the free flow of considerations, recommendations, deliberations and advisory opinions to the President and among his staff would adversely affect the public interest.


LEONARD GARMENT

Washington)
) ss.
District of Columbia)

Subscribed and sworn to before me on this 5th day of July,
1973.


NOTARY PUBLIC

41. On January 24, 1972 a civil suit was filed in United States District Court for the District of Columbia challenging the March 1971 milk price support increase as unlawfully based on political considerations and campaign contributions. After February 1, 1972 Counsel to the President John Dean reported regularly on the litigation to Haldeman and Ehrlichman.

	Page
41.1 <u>Nader v. Butz</u> docket, January 24, 1972.	878
41.2 Memorandum from John Dean to John Ehrlichman, February 1, 1972, with attached routing slip (received from White House).	879
41.3 Memorandum from John Dean to H.R. Haldeman and John Ehrlichman, August 31, 1972 (received from White House).	885
41.4 Memorandum from John Dean to John Ehrlichman, September 28, 1972 (received from White House).. ..	888
41.5 Memorandum from John Dean to Charles Colson, December 15, 1972 (received from White House).. ..	892
41.6 John Ehrlichman testimony, SSC Executive Session, February 8, 1974, 58-59.	893

CIVIL DOCKET

United States District Court for the District of Columbia

DATE	PROCEEDINGS	FEES	TOTAL
1972	Deposit for cost by		
✓ Jan. 24	Complaint, appearance; Schedules I, II, III filed		
✓ Jan. 24	Summons, copies (4) and copies (4) of Complaint issued DA & Atty. Gen Serv. 1-25; defts. serv. 1-26.		
✓ Jan. 28	Motion of plaintiffs to modify procedure for answers to deposition by written questions and to shorten time for service of cross-questions; P & A; notice; exhibits A through E; c/m 1-28. M.C. filed		
Feb. 3	Opposition of defts. to motion to modify procedure for answers to deposition by written questions and to shorten time for service of cross questions; P&A; c/m 2-3-72 filed		
Feb 8	Amended complaint; c/m 2-7. filed		
✓ Feb. 11	Motion of defts. for protective order; P&A; c/m 2-11-72 M.C. App. of L. Patrick Gray, III, Harold H. Titus, Jr., Irwin Goldbloom. filed		
✓ Feb 25	Opposition of pltf's. to defts. motion for a protective order; c/m 2-18. filed		
✓ Feb 29	Copy of amended complaint. (Fiat) Jones J.		
✓ Mar 2	Order denying pltf's' motion to modify Rule 31 procedures; granting in part defts.' motion for a protective order. (N) Jones J.		
✓ Mar 3	Motion of pltf's. for leave to amend complaint; P & A; c/m 3-2. M.C. filed		
Mar 3	Proposed modification by pltf's. to defts. proposed order; c/m 3-2. filed		
✓ Mar 13	Motion of defts. to dismiss or in the alternative for summary judgment; affidavit (2); exhibit (A) (B); statement; P & A; c/m 3-13-72; M.C. filed		
✓ Mar 20	Motion of pltf's. to reinstate postponed discovery proceedings and for other purposes; P & A; Exhibit; c/m 3-17. M.C. filed		
✓ Mar 24	Stipulation of counsel Re: the filing of motions; approved. (Fiat) Jones J.		
✓ Mar 24	Motion of defts. for a protective order and opposition to pltf's. motion to reinstate discovery and for other purposes; P & A; c/m 3-24. m.c. filed		
Mar 31	Memorandum of plaintiffs in response to motion for a protective order; affidavit; exhibit A; c/m 3-30. filed		
✓ Apr 4	Motion of defts. to dismiss; P & A; appendix A; c/m 4-4. M.C. filed		
Apr 7	Motion pltf. to postpone consideration of deft's motion to dismiss & to consolidate - denied. (Fiat) Jones J.		
✓ Apr 7	Motion of pltf. to post pone consideration of deft's motion to dismiss for mootness and to consolidate that motion with deft's motion to		

(SEE NEXT PAGE)

878
35-942 2

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THE WHITE HOUSE
WASHINGTON

Date 2-18

For John Dean

From Tod Hollin

For your files
E has seen

001269

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THE WHITE HOUSE 213
WASHINGTON

February 1, 1972

For your further information, today the Antitrust Division at Justice filed a civil antitrust suit against Associated Milk Producers, Inc. (the largest of the three cooperative involved in the Nader case and the organizer of TAPE) charging monopolization and other restraints of trade in violation of the Sherman Act.

001270

(56)

WV

ADMINISTRATIVELY CONFIDENTIAL

" INFORMATION "

February 1, 1972

MEMORANDUM FOR: JOHN EHRLICHMAN
FROM: JOHN DEAN
SUBJECT: Nader v. Butz

On January 24, Ralph Nader, Public Citizen, Inc. (one of his new public interest groups) and two consumer organizations filed a class action suit in the District Court of the District of Columbia against Secretary of Agriculture Butz and the Commodity Credit Corporation. The complaint alleges that the decision of the Secretary of Agriculture to order an increase in the federal price support level for fluid milk for 1971-1972 was arbitrary, capricious, and based on considerations extraneous to the criteria prescribed by law for making such determinations. The suit prays for a finding that the milk subsidy increase is unlawful and an order rescinding the increase in the price support level.

The gist of Nader's case is that the dairy industry - through three political committees - funnelled substantial political contributions to appropriate parties in an eventually successful effort to obtain higher price support levels for milk. Their first attempts were directed toward Congressmen (primarily Democrats) in order to achieve their goals by special legislation. When Congress failed to pass such legislation, the dairy industry allegedly induced the Administration to reverse its position by starting substantial contributions to political committees established to aid in the re-election of the President. The details of these contributions, which Nader obtained from the reports filed by the political committees of the dairy industry under the Corrupt Practices Act, and the course of events leading to this suit are as follows:

001271

Since 1969, the nation's three largest dairy marketing cooperatives, which control about fifty percent of all milk sales in the United States, have established three political action committees to make political

-2-

contributions and to take other actions supporting the objectives of the dairy industry. These three committees are the Trust for Agricultural Political Education (TAPE), the Trust for Special Political Agricultural Community Education (SPACE), and the Agricultural and Dairy Educational Political Trust (ADEPT). They are all financed by voluntary contributions from dairy farmers. As of January 1, 1972, these committees had on hand a combined total of more than \$2.3 million for use in accomplishing their objectives.

From 1969 through 1971, TAPE, SPACE and ADEPT made contributions totalling \$187,000 to 13 Senators and 50 Representatives, the large majority of whom are Democrats. Of this amount, Senator Humphrey received \$15,625 and Senator Muskie \$3,936. Practically all of these contributions were made before the March 25, 1971 decision by the Administration to increase the price support level of milk.

One of the primary goals of the dairy industry is, of course, to assure that the price support for milk is maintained at as high a level as possible. The Secretary of Agriculture is authorized by statute to fix this level at a position which he determines will assure an adequate supply of milk. This determination is made in March of each year and is effective for the period April 1 - March 31. On March 12, 1971, then Secretary Hardin announced that he had decided not to increase the milk price support level above \$4.66 for the year April 1, 1971 - March 31, 1972. The basis of this decision was stated to be the fact that a large increase in the level of the 1970 price support had caused milk production to increase in 1970. 001272

Following this initial decision, between March 16 and March 25, 29 Senators and 116 Representatives sponsored bills to increase the price support level. About one-half of these individuals had received campaign contributions from TAPE, SPACE and ADEPT.

Also after this March 12 determination, the dairy industry for the first time began strongly to support Republican fund-raising committees as well as to bring direct pressure to bear on the Administration. On March 22, TAPE deposited \$10,000 with four Republican campaign accounts. On March 23, the President and Secretary Hardin met at the White House with a dozen dairy industry leaders, including top executives of the three milk cooperatives sponsoring the political

WJ

-3-

committees. The next day, SPACE contributed an additional \$25,000 to the campaign accounts of four other Republican finance committees. Finally, on March 25, Secretary Hardin reversed his initial decision and announced that the price support level would be raised from \$4.66 per hundred pounds to \$4.93 per hundred. The basis for this reversal was cited to be increases in dairy farmers' costs.

Nader alleges that this decision was then followed by much larger political contributions to Republican campaign committees. Since March 25, TAPE, SPACE and ADEPT contributed another \$287,500 to over 50 dummy committees for the re-election of the President, all located in the District of Columbia. Investigation of these committees by Nader further determined that many listed in the reports had incorrect addresses and that certain individuals listed as officers denied any connection whatsoever with the committees. These inaccuracies in listings have resulted in several complaints to the Clerk of the House by individuals whose names or addresses were used in connection with the committees without their permission.

From a legal standpoint, Nader should have a difficult time winning his case if the Department of Agriculture has documentation of its rationale for the reversal of position, which it apparently has. He will, nevertheless, have the rather dubious authority of Judge Bazelon's decision in the Three Sisters Bridge case (D. C. Federation of Civic Associations v. Volpe) to rely upon. However unsound that decision may appear, it is still the law in the D. C. Circuit.

001273

Aside from the ultimate decision in this case, the discovery proceedings could prove disastrous. As in his suit against the Department of Transportation on the propriety of the rule making procedure regarding the installation of air bags in automobiles (Nader v. Volpe), Nader can be expected to try to obtain through discovery all communications between the White House and the Department of Agriculture. These will probably be amenable to protection by claims of executive privilege.

More difficult to defend against would be depositions of the dairy industry officials who attended the White House meeting with the President and Secretary Hardin. These officials will certainly be questioned in detail about all commitments made by the President at that meeting. Furthermore, depositions can be expected to be taken

of all the officers of the Republican campaign committees which received contributions from TAPE, ADEPT and SPACE. Although these individuals may quite truthfully be unable to have knowledge of any pressure brought to bear on Secretary Hardin because of these contributions, questioning about their duties with the committees and the manner in which the committees operate could prove highly embarrassing in an election year.

The best hope for avoiding the consequences of discovery is to win a dismissal of the complaint on the ground of mootness. The relief sought by plaintiffs is two-fold. First, they request a declaratory judgment that the March 25, 1971 decision and order by the Secretary increasing the price support level of fluid milk and the April 26, 1971 increase in the purchase price of cheddar cheese and nonfat dry milk by the Commodity Credit Corporation are unlawful, null and void. The increases in the purchase prices of cheddar cheese and nonfat dry milk result from the increased price support level for fluid milk since that price level is maintained by CCC purchases of nonfat dry milk, butter and cheese. The second relief sought is to enjoin the Secretary and the CCC from continuing to support the present price levels of fluid milk, cheddar cheese and nonfat dry milk.

Once the Secretary arrives at a new determination of the appropriate price support level for milk (from which the new level for cheese and nonfat dry milk will also be calculated) for the year April 1, 1972 - March 31, 1973, the old determination of March 25, 1971 will no longer be in effect and therefore not be capable of being enjoined. This decision by the Secretary is traditionally made sometime during the month of March, which is not far away. If Nader wishes to expedite the court procedure to obtain consideration before the new determination is made, he will probably have to resort to a motion for a preliminary injunction.

001274

Nader will also be certain to argue that even if the request for an injunction is mooted by a new determination, the request for a declaratory judgment is still valid. The D.C. Court of Appeals in the case concerning the sufficiency of the AEC environmental impact statement on the nuclear test blast at Amchitka Island indicated strongly that it believed that the legal issues in that case could not be mooted by detonation. (Committee for Nuclear Responsibility v. Seaborg, D.C. Cir. Oct. 28, 1971). Following the test, however, this question was never reached since plaintiffs voluntarily dismissed their case.

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August 31, 1972

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ADMINISTRATIVELY CONFIDENTIALINFORMATION

MEMORANDUM FOR:

H. R. HALDEMAN
JOHN EHRLICHMAN

FROM:

JOHN DEAN *JD*

SUBJECT:

001275

Nader v. Butz

Last January, Ralph Nader filed a suit in the District Court of the District of Columbia alleging that the decision of the Secretary of Agriculture in March 1971 to order an increase in the Federal price support level for fluid milk for 1971-1972 was arbitrary, capricious and based on considerations extraneous to the prescribed legal criteria. The gist of the case is that the dairy industry -- through three political committees -- funneled substantial contributions to political committees established to aid in the re-election of the President and that these contributions were determinative in the decision to raise the price support level.

The facts of the matter are that on March 12, 1971 Secretary Hardin announced that he had decided not to increase the milk price support level above \$4.66 for the year April 1, 1971 - March 31, 1972. This decision caused an intense congressional reaction and strong lobbying from the milk producers. On March 22, TAPE, one of the three political committees, deposited \$10,000 with four Republican campaign accounts. On March 23, the President and Secretary Hardin met with a dozen dairy industry leaders, including top executives of the three milk cooperatives sponsoring the political committees. The next day, SPACE, another milk producers' committee, contributed an additional \$25,000 to Republican finance committees. Finally, on March 25, Secretary Hardin reversed his initial decision and raised the price support level from \$4.66 to \$4.93 per hundred pounds, citing increased costs to dairy farmers as the reason. During the rest of 1971, the three milk producers' political committees contributed another \$287,500 to over 50 dummy committees for the re-election of the President.

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ADMINISTRATIVELY CONFIDENTIALINFORMATION

After Secretary Butz performed his statutory duty in March 1972 and determined the price support level for 1972-73, the Government argued that the case was moot since the old determination was no longer in effect and not capable of being enjoined. Judge Jones concurred with that argument and dismissed the case. However, last week the Court of Appeals reversed Judge Jones and ruled that the case was not moot because Secretary Butz had continued the 1971-72 price support level without any change. The Court reasoned that even if the new decision were valid, the District Court should still investigate whether the 1972-73 price support level had been tainted by a possibly improper determination in 1971.

At the same time that the Court of Appeals reversed Judge Jones, a private lawsuit filed by the National Farmers' Organization in Kansas City against the major dairy cooperatives obtained through discovery letters by dairy industry officials relating to the Nader suit. These letters state that the milk producers' contributions were channeled through the Washington law firm of Harrison & Reeves, with Murray Chotiner being instrumental in designating the names of the Republican committees to receive the money. Dairy officials also wrote in the letters that the gifts "played a major role in this Administrative decision" to raise supports. 001276

The result of these two developments will undoubtedly be to spur a vigorous discovery effort by Nader to attempt to establish links between the political contributions and the decision by Secretary Hardin. Although the Government will fight the plaintiff's discovery and try to obtain a ruling on its previous motion to dismiss on the merits, it is most likely that discovery will be allowed and will commence quite soon. Depositions may be sought from Secretary Hardin, Under Secretary Campbell and others in the Department of Agriculture; various dairy industry officials; Murray Chotiner and others in his law firm; officials of the dummy Republican finance committees who received the contributions; and possibly certain White House staff members such as Chuck Colson and John Whitaker. We can also anticipate efforts to obtain documents from all these sources, including internal White House papers. As is readily apparent, the potential for political embarrassment during the remaining months of the campaign is high.

WH

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ADMINISTRATIVELY CONFIDENTIAL

INFORMATION —

On the positive side, however, the Government's antitrust case against the Associated Milk Producers, Inc., one of the cooperatives which sponsored the political committees, has been moving quickly and could go to trial as early as next spring -- very rapid progress for an antitrust case. This vigorous prosecution should help call into question any allegations by Nader that the milk producers have influenced the Administration by their political contributions.

We will keep an eye on this case and keep you advised.

001277

cc: Charles Colson
Clark MacGregor
Maurice Stans
John Whitaker

WH

THE WHITE HOUSE
WASHINGTON

September 28, 1972

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JOHN EHRLICHMAN

FROM:

JOHN DEAN *J*

SUBJECT:

001278

Nader v. Butz

On August 21, the Court of Appeals of the D. C. Circuit reversed the District Court's dismissal of the above-captioned case for mootness and remanded the case for further proceedings. Before the Court of Appeals issued its order to the District Court, the Government, on September 11, moved for at least a month's delay to permit time for a decision whether to appeal to the Supreme Court. The Court of Appeals has not yet ruled on this motion, nor has any decision been reached on the question of petitioning for certiorari. However, the Solicitor General has informed me that, absent a very strong indication of governmental interest, he would not be disposed to authorize an appeal.

This memorandum is intended to outline the consequences which would flow from the failure to delay this case by seeking certiorari from the Supreme Court. The greatest political damage would be caused by depositions of the key individuals connected with this matter. Once the District Court receives the order from the Court of Appeals remanding the case, plaintiff need only provide the deponents reasonable notice before starting to take depositions. Requests for production of documents would not create such immediate problems since, under the Rules of Civil Procedure, the government is allowed 30 days to respond, unless the Court orders a shorter time.

The cast of potential deponents include many persons prominently associated in the public mind with such other alleged improprieties as the Watergate incident, the ITT case, and the wheat sale to Russia.

WHL

ADMINISTRATIVELY CONFIDENTIAL

Listed below are the most likely targets:

1. Maurice Stans and Hugh Sloan. They can expect to be questioned concerning the more than 90 political committees organized to support the re-election of the President which received donations between April-September 1971 from SPACE, TAPE and ADEPT, the three political action committees of the milk producers' associations. Officers of these dummy committees, some of whom have publicly stated that they had not authorized the use of their names for this purpose, might also be deposed. Similarly, officers of the 10 Republican committees, which received the initial contributions from SPACE, TAPE and ADEPT in March-April 1971, could also be subjected to questioning about the circumstances of the contributions.

2. The principal officers of the milk producers' associations and their political committees. Questions would cover the meeting on March 23, 1971 with the President and details about political contributions to the President's campaign. Letters from various dairy officials which were uncovered by discovery in another private lawsuit will provide strong ammunition for Nader in these depositions. The letters contain assertions similar to the self-serving type statements found in the Dita Beard memorandum which directly link the reversal of Secretary Hardin's decision to the political contributions.

001279 3. Murray Chotiner, Marion E. Harrison and Patrick J. Hillings. The role of Murray Chotiner's law firm, Harrison & Reeves, should be of prime interest to Nader. Harrison and Hillings attended the meeting between the President and the dairy officials, while Chotiner has been identified in the letters discovered in the second suit as the recipient of the contributions.

4. Jack Gleason. Depositions of the dairy officials are liable to reveal that Gleason was also a contact man for them and handled their unreported political contributions prior to March 1971 when they began to contribute through Chotiner.

5. Department of Agriculture: Secretary Hardin, Under Secretary Phil Campbell and Assistant Secretary Clarence Palmby. All three of these officials attended the March 23 meeting with the President and were connected with this matter in official positions.

WHL

-3-

ADMINISTRATIVELY CONFIDENTIAL

6. White House: John Ehrlichman, John Whitaker, Chuck Colson and Henry Cashen. Ehrlichman, Whitaker and Cashen all attended the March 23 meeting between the dairy officials and the President. Whitaker and Colson are also recipients of letters that will probably be obtainable through discovery from Marion Harrison concerning the milk price support level.

7. OMB: George Schultz and Don Rice. Both of these individuals also attended the March 23 meeting and played visible key roles in the decision to raise price support levels.

8. Treasury: Secretary Connally. Although Connally's role in this matter is not easily discernible, he will be a likely target of suspicion due to his contacts with the Associated Milk Producers, Inc. (AMPI), which is headquartered in Texas. Prominent play might also be given to the fact that AMPI was among the first and largest contributors to Democrats for Nixon.

001280 Very difficult legal and political problems in regard to executive privilege will also be raised if discovery precedes the election. It would be politically embarrassing to invoke the privilege to cover White House documents, which are alleged to disclose serious improprieties, or to protect White House staff members. There is also a difficult legal question as to whether executive privilege can protect information sought from persons, who though formerly employed by the government, are no longer serving in this capacity. This problem would be particularly acute in the cases of Secretaries Hardin and Connally, Assistant Secretary Palmby, and Don Rice. All persons connected with the receipt of the political contributions, even though employed by the government, would, of course, in no way be protected by executive privilege because this political activity would clearly fall outside their governmental roles.

WH I have advised Griswold -- as well as Kleindienst and Erickson -- that I feel the government should appeal. The suit is politically motivated so why should we not take the appeal which will cut off discovery. Griswold obviously does not want to take an appeal for political reasons alone, but the decision by the appeals court also raises questions about the authority of the Secretary of Agriculture to act pursuant to his legal authority -- an issue with implications for other Cabinet officers. I have requested that Justice examine these facets of the case in greater detail and raise them with Griswold.

-4-

ADMINISTRATIVELY CONFIDENTIAL

What I am saying, in brief, is that we may have to tell Griswold to appeal and if that occurs, I would like your backing.

Reaction or comments:

001281

cc: H. R. Haldeman

WH

THE WHITE HOUSE

WASHINGTON

December 15, 1972

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

CHUCK COLSON

FROM:

JOHN DEAN

SUBJECT:

Nader v. Butz

You are probably aware of the Nader suit which is attempting to prove that the March 25, 1971 decision by Secretary Hardin to raise the milk price support level was improperly influenced by large campaign contributions from the milk producers' political committees. Plaintiff is now actively engaged in discovery and has made sweeping requests for White House files.

001282

Although we fully intend to exert all efforts to prevent disclosure of any of the White House documents, in order to prepare our position it will be necessary to examine all pertinent materials. Therefore, I would appreciate your forwarding to my office any documents or materials in your office that pertain to (1) the March 23, 1971 meeting of the President with the dairy officials; (2) the March 12, 1971 determination and March 25, 1971 reversal of that decision on milk price support levels; and (3) the March 1972 determination of the milk price support level.

Since you will shortly be returning to private practice, let me add the reminder that communications from individuals outside the government to the White House will, in general, fall outside the scope of protection provided by a claim of executive privilege. The use of this privilege in the courts has only been recognized to extend to state secrets and intergovernmental documents containing advice or recommendations.

Thank you.

Indistinct document retyped by
House Judiciary Committee staff

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Mr. Weitz. Do you have any knowledge of any money solicited from a Mr. Mulcahy for whatever purpose?

Mr. Ehrlichman. I don't know if solicited is the word. I was given to understand that Mulcahy was a contributor to the '72 campaign.

Mr. Weitz. Do you know of any particular requests for approximately 3,000 or \$3,600 from Mr. Mulcahy? A request of money to come from Mr. Mulcahy for a particular purpose?

Mr. Ehrlichman. No.

Mr. Weitz. Was Mr. Cashen involved in soliciting or receiving funds for various purposes or any purposes?

Mr. Ehrlichman. Not that I know of.

Mr. Weitz. Now I would like to turn your attention quickly to 1972. Were you aware in 1972 of the lawsuit of Nader versus Butts [sic] with respect to Milk Price Supports, decisions of 1971?

Mr. Ehrlichman. Just casually in newspaper reading.

Mr. Weitz. Now in a memo which we have from John Dean to you of February 1st, recounting the facts of the case and assesses which had previously been filed the week before, he assesses the impact of the case on the current year and particularly the President's campaign on Page 3 he makes the following statement: "Aside from the ultimate decision in the case, the discovery proceedings could prove disastrous." And he talks about the fact that probably under existing law Nader could be permitted to take depositions and so forth.

Indistinct document retyped by
House Judiciary Committee staff

Indistinct document retyped by
House Judiciary Committee staff

59

Did you have any occasion to discuss this matter with either Mr. Dean or Mr. Haldeman or anyone else in the White House?

Mr. Ehrlichman. I don't recall the memo. Did I get the memo?

Mr. Weitz. It has your name on it.

Mr. Ehrlichman. That doesn't mean I got it. John Dean to me dated February 1, information. A lot of these socalled /sic/ information things I never saw.

Mr. Weitz. That's why the question was not restricted to the memo itself but rather with respect to restricted to the suit.

Mr. Ehrlichman. This was one of the things that may have come up in one of those staff meetings. This was the reason for the staff meeting, to bring up current litigation and departmental problems and current problems and things of that matter. I wouldn't want to rule it out.

Ordinarily, a thing like this directed to me would have been kicked over to Whitaker /sic/ without me seeing it and then if he thought it was sufficiently pressing he would have then passed it on to me after his review. And I don't recall any specific concern about this law suit by Haldeman or by anybody else.

Mr. Weitz. What about an anti-trust suit that was filed by the Department of Justice against the dairy people, do you

Indistinct document retyped by
House Judiciary Committee staff

42. In January and February 1972 Kalmbach and AMPI representatives discussed procedures whereby AMPI could resume making political contributions without the contributions being made public. In March or early April 1972, following attempts by AMPI to get the Department of Justice to drop an antitrust suit against AMPI, Kalmbach told AMPI representatives that he would not accept additional AMPI contributions.

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42.1 Memorandum from Gordon Strachan to H.R. Haldeman, January 18, 1972 (received from White House).	896
42.2 Memorandum from Gordon Strachan to H.R. Haldeman, February 1, 1972 (received from White House).	902
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42.4 Herbert Kalmbach testimony, SSC Executive Session, March 22, 1974, 81-86, 93-95.	914
42.5 George Mehren testimony, SSC Executive Session, February 7, 1974, 55, 62-63, 71-76, 79-81, 85-87. . .	923
42.6 Jake Jacobsen testimony, SSC Executive Session, December 14, 1973, 159-62.	938
42.7 Herbert Kalmbach testimony, SSC Executive Session, June 13, 1974, 1-2.*	942

THE WHITE HOUSE
WASHINGTON

Administratively Confidential

January 18, 1972

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

GORDON STRACHAN *G*

SUBJECT:

Political MattersFinances

1) Herb Kalmbach met with Messrs. Jacobsen and Nelson on January the 14th concerning the milk money. Kalmbach had a "good meeting"; the money will continue to come in, but the milk people do not want to continue to deal with Reeves & Harrison (Chotiner's firm). Kalmbach would take over this project as a special assignment. He will ask the Attorney General on January the 20th. The Attorney General approved of Kalmbach meeting with Jacobsen even though Milt Seimer is Jacobsen's law partner and Treasurer of the Muskie campaign. Kalmbach informed Colson of the meeting but would not tell Colson who asked him to see Jacobsen. Kalmbach believes someone should give all information about the milk situation to Colson. I told him Colson was no longer involved.

Recommendation:

That you inform Colson of the milk situation, and that Kalmbach be asked not to discuss the milk situation with Colson in the future.

Approve _____

Disapprove _____

Comment _____

2) DeWitt Wallace is in Kalmbach's 100 club.

✓ 3) Kalmbach's pledges total 12,435.

4) At Kalmbach's invitation, I attended a finance meeting chaired by Secretary Stans on January 12. Dan Hofgren, Tom Evans (N.Y.), Lee Nunn, Jeb Magruder, Harry Flemming, Harry Dent, Lang Washburn, Hugh Sloan, and Gordon Liddy reviewed the campaign spending legislation. The legislation will become effective 60 days from the date of the President's signature (expected around April 1). The limit of 10¢ per voter on all communications (broadcast, newspapers, telephones, etc.) will be enforced by requiring a certificate from the national campaign organization. The definition of contribution is very broad, covering "any thing of value", contributed

NOTE: THE COMMITTEE ON THE JUDICIARY RECEIVED FROM THE WHITE HOUSE 21 POLITICAL MATTERS MEMORANDA PREPARED BY GORDON STRACHAN BETWEEN AUGUST 1971 AND SEPTEMBER 1972. THESE MEMORANDA ARE REPRINTED IN A SEPARATE VOLUME AS AN APPENDIX TO THE STATEMENT OF INFORMATION. SEVEN POLITICAL MATTERS MEMORANDA ARE INCLUDED IN BOOK I-IX AS SUPPORTING EVIDENCE FOR THE STATEMENT OF INFORMATION. THESE MEMORANDA ARE REPRINTED AT BOOK I, PARAGRAPHS 1.1, 2.1, 5.1, AND 5.2; BOOK II, PARAGRAPHS 33.8 AND 33.9; BOOK VI, PARAGRAPHS 42.1, 42.2 AND 42.3; BOOK VII, PARAGRAPHS 75.5, 75.6, 75.10 AND 80.1; AND BOOK VIII, PARAGRAPH 17.1.

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employees, local bill boards, air travel and other hidden forms of "assistance" in the past. The disclosure provisions are equally tough, requiring public record of any contribution above \$10. To inform the public the Controller General must receive complex, detailed forms on March 10, June 10, September 10 and 15, and five days before the election. The paper work will be so voluminous that, according to Stans, the number of people working in finance to keep the records will exceed the size of the campaign staff. The main positive aspect is that the \$5,000 limit on individual contributions has been dropped. However, there is full disclosure of the individual giving.

X 5) You asked to see the text of the fund raising letter that Lee Nunn wants to send to 20,000 of the 500,000 White House support list. One of 10 variable letters with the same tone is attached at Tab A. *The letter is terrible - is not OK*

Harry Dent

and must be reviewed for substance by Price or one of our people.

He is urging the Attorney General to move Bill Murfin, the SBA Director in New Orleans, to Florida to help the Nixon man Tommy Thomas with the primary. Dent is also asking the Attorney General for authority to assist a New York redistricting project that would aid conservative Congressman Jim Delaney.

Wallace Henley, Dent's man monitoring George Wallace, reports that his sources believe that "we ought to assume that he will do suprisingly well in the Democratic primaries in Florida, Pennsylvania, Ohio, and Illinois, that he will launch an effort this spring to preserve his third party option and that he will double back as a third party candidate after Miami.

Dent holds a biweekly political issues meeting pursuant to your discussion with the Attorney General on November 4. The minutes of the most recent meeting on national defense problems and the Nixon Administration's response are attached at Tab B.

In light of your meeting with Harry Dent on political matters last week, are there any projects that I should be following up on? *No*

Cliff Miller

Good He has assumed control of the public relations efforts of the Committee. Van Shurway and Tom Girard will handle most discussions with Washington correspondents. Shurway will be able to go "on the record" and McGruder may be quoted as a high level spokesman. Ann Dore is making the arrangements

-3-

for the Nixon State Committee announcements. She is receiving unanimous praise from locals, Fleming's organization, and newsmen.

✓ Magruder and Miller submitted a memorandum to the Attorney General on January 7 requesting authority to grant a feature article on the campaign's youth activity by Hays Corey of Time. The Attorney General approved but the emphasis will be on the "President's positions and interest" instead of any campaign strategy discussion. The memorandum, with a list of the youth officially recruited to work on the President's behalf, is attached at Tab C.

✓ Martha Mitchell and Mesdames Romney, Rogers, Connally, and Bush will be interviewed by Barbara Walters of NBC on "Not for Women Only", which follows the "Today" show. The first segment will begin January 31st.

✓ Cliff Miller, and in his absence Van Shumway, will sit in on Colson's Tuesday and Thursday meetings on news planning. Magruder will not attend. This is part of Miller's project to increase contact with Colson as a means of liaison between Colson and the Attorney General.

✓ Miller will suggest to the Attorney General that he chair a meeting every other week of you, Ehrlichman, Flanigan, Finch, Garment, Colson, and Dent to discuss the Campaign.

RNC Convention

✓ Bill Timmons and John Dean conducted a security survey of San Diego last week. They obtained the support requested.

✓ Senator Scott has informed Bill Timmons that he will not "clear" John Rhodes for Platform Chairman until his (Senator Scott's) role is known. Timmons believes he can convince Scott to become Floor Leader for Nixon. The Attorney General doubts Timmons can do it, but has given Timmons the negotiating authority to try. Timmons will proceed unless he receives contrary instructions from you. *OK by me*

✓ Timmons is also asking whether you have any objection to permitting part of the California delegation, including Governor Reagan, to take some of the extra rooms in the San Diego Sheraton, which will be the President's headquarters hotel. The Attorney General agrees with Timmons that the California delegation should receive this special treatment.

Recommendation:

Don't have a view
 That Timmons be informed that you are to receive this information but not for action. Timmons should receive instructions

on the Convention from the Attorney General, not from you.

Approve ✓ Disapprove _____

Comment _____

Tom Evans - RNC

Discussion with Tom Evans on January 4 disclosed that he is receiving increasing adverse comment about Harry Flemming's activities in the field; that the relationship with Malek and Kingsley on patronage is excellent; that Evans is very concerned about his lack of input with Rose Mary Woods on White House invitations; that Nofziger's lack of organizational ability will damage the President in California; that Evans plans to make several communications staff changes in connection with Nofziger's departure (Malek has been advised; you have a talking paper for the Attorney General).

Magruder's Projects

1) Schedule Matters - Magruder asked the Attorney General whether Secretary Connally should be scheduled into non-political functions in primary and key states. The Attorney General responded yes but "at his (Connally's) discretion".

Ernie Minor, the RNC scheduler, will move to 1701 around February 1, at his current salary of \$31,800.

2) Congressional Support for the President - Bill Timmons will seek to have Congressmen sign petitions supporting the President to undercut Congressmen Ashbrook and McCloskey.

3) Older Voters - Dan Todd has been hired to supervise the Committee's program for older voters. Todd served as Arthur Flemming's assistant for the White House Conference on Aging. Todd recommended to the Attorney General that John Martin be removed as head of the Administration on Aging and replaced with a performance oriented individual reporting directly to Secretary Richardson. No decision has been reached. In addition to Todd, Arthur Flemming and Jamie McLane of Colson's staff are charged with overall responsibility for the older voter.

4) Polling - The results from Florida, Kentucky, New Hampshire, and Wisconsin may be received from Teeter on January 24. Teeter originally committed to delivering the results to you the last week of December. A separate memorandum on polling is included in this action folder.

The Nixon Finance Committee contracted with Market Opinion Research as master with the other pollsters as subsidiaries.

-5-

5) Security - Magruder has recommended, and the Attorney General is considering, substantially improving the security at 1701 by adding more guards and anti-bugging devices.

6) News Summary - You decided on December 2nd that Magruder should not receive a copy of the news summary. This severely restricts his ability to respond to inquiries from the Attorney General and the White House. Magruder also suggests that the Attorney General receive a copy of the news summary. According to Magruder, there will be no problem of other Cabinet Officers not receiving the summary because the Attorney General will leave the Cabinet to run the Campaign. The fact that Senator Dole and Lyn Nofziger receive copies of the news summary is used by Magruder to buttress his argument that he and the Attorney General should receive copies.

G → Allen
1/20

☒ Approve, the Attorney General and Magruder to receive copies of the news summary

☐ Disapprove, no copies of the news summary to 1701

☐ Raise again when the Attorney General moves to the Campaign

☐ Other

7) Opposition Material - Through various sources Ashbrook's first mailing, Muskie's plans for newspaper ads on youth on January 26th, Muskie's fund raising mailing, minutes of Muskie's Domestic Issues meeting, and YAF's confidential mailing have been received. These materials are attached at Tab D.

8) White House Staff/Campaign - Magruder is very concerned about suggestions that the Campaign has "raided" the White House Staff. He requests that you read the memorandum at Tab E which lists each person from the White House who is at the Committee and the reason for the change. *Baloney*

9) Interest Group Reports - You have seen the reports on Ethnicity, Spanish-speaking, Blue Collar, and Middle America prepared by Magruder's Task Forces. The Attorney General did not want to go through such long reports and detailed tabs according to Magruder. Therefore, a summary with essential decisions has been prepared, but this has not been reviewed by the Attorney General. A copy is attached at Tab F.

-5-

✓ 10) Florida Primary - Magruder submitted the operating plan for the Florida campaign to the Attorney General on January the 15th. He approved the plan (attached at Tab G), but decided to hold the telephone plan and limit the mailing until the results of the polls are received from Bob Teeter.

✓ 11) New Hampshire - On January the 15th the Attorney General authorized Magruder to proceed with a 15,000 telephone operation in New Hampshire that will attempt to reach every registered Republican in the state. The telephone plan dovetails with the direct mail effort.

✓ 12) Magruder's weekly report for the Attorney General is attached at Tab H.

*I have not read the
tabs - except for E.*

000342

February 1, 1972

MEMORANDUM FOR:

H.P. HALDEMAN

FROM:

GORDON STRACHAN **G**

SUBJECT:

Political MattersFinances

1) Herb Kalmbach reviewed his current financial situation and related hard decisions with the Attorney General and Secretary Stans on January 28. Kalmbach asked that you consider:

1/2 in
67 1/2

a) Of the 1.2 fund Kalmbach has a balance of 900 plus under his personal control. From the original 1.2, 100 went to Lee Nunn for the Kentucky Governorship Race; 50 went to Caulfield for sandwich; and 70 has been disbursed to Derge for polling over the last six months. Of the 900, 230 is in "green" boxes, 570 is in a New York checking account and 120 is in a Newport checking account;

b) In light of the campaign spending legislation, Stans, Kalmbach, and Dean recommend that the 690 in accounts be spread back into legal committees and kept under Finance Chairman Stans' control. The 230 green would be put in a Riggs box with access by any combination of two of the following people: Tom Evans, New York -- *سنتور* France Raine, Jr. (who Kalmbach wants to use generally in the finance area) -- and Kalmbach. If this recommendation is not accepted Kalmbach is willing to retain personal control of the 900 and run the very high risk of violating the criminal provisions of the campaign spending legislation. Stans is opposed to paying for any polls other than through a correct committee; the risk from using green is just too high. *OK*

Recommendation:

27

That the advice of Stans, Kalmbach, and Dean be followed in that the 690 would be put in legal committees; that only the 230 green would be held under Kalmbach's personal control; and that any polling would be paid for by regular Nixon Finance Committees.

Approve *H*

Disapprove

Comment

OK 1/8
make it 350 green + add for 10

000440

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c) Kalmbach is very concerned about his involvement in the milk producers situation. He believes that Jacobsen and Nelson will deliver though they have cut the original 2,000 commitment back to 1,000. Kalmbach's concern centers around the recent press disclosures that link Jack Gleason and the '70 campaign election funding. Kalmbach will accept the risk of being subpoenaed by the court in connection with the Nader milk suit. The Attorney General believes Kalmbach should continue to handle the milk project, but Kalmbach wants your advice.

Recommendation:

That Kalmbach not be involved in the milk project because of the risk of disclosure.

Approve _____

Disapprove _____

Comment _____

I'll give up AG

d) Kalmbach cleared the Ed Nixon campaign post with the Attorney General. Ed Nixon will begin February 1st, at 25 per year plus expenses, living costs, and travel. Kalmbach estimates the total will be "thrilling" but is pleased that he will be off the Foundation payroll.

e) Governor Nelson Rockefeller is in Kalmbach's 100 club with a 250 commitment.

2) Stans will officially move to the Nixon Finance Committee on February 16. In the meantime, he, Kalmbach, Hofgren, Nunn, and Sloan are conducting a 60 day blitz to get funds in before the campaign spending legislation becomes law.

When Stans arrives at 1701 he will send a personal letter to the 5000/\$30000+ contributors. He will also authorize a much larger Walter Wentz -- Readers Digest direct mail appeal from various lists.

The current financial position of 1701 is 3,600 received, 1,300 disbursed, leaving a 1,600 balance of which only 50 is in green.

Stans is moving into operational responsibility, but there is still no budget set for the various parts of the 1701 efforts.

Through Kalmbach, Stans is requesting Executive Mess Privileges. As you may recall, Cabinet Officers have

-3-

honorary memberships in the regular White House Staff Mess. To my knowledge, only Secretary Hodgson uses this privilege.

Recommendation:

6-2-72 2/3 That Stans receive Executive Mess privileges.

Approve ✓ Disapprove _____

Comment _____

Harry Dent

- 1) He believes that the President's "drop by" at the Bob Brown dinner was one of the most important, successful, politically astute moves made toward blacks in this Administration;
- 2) Hugh Chatham may seek and win the North Carolina Senate seat in 1972; Pete Domenici may beat Dave Cargo for the nomination to seek the New Mexico Senate seat;
- 3) Thurston Morton may lead a drive to get Louie Nunn into the Kentucky Senate race if there is some financial assistance;
- 4) The first practical test of the Harry Dent theory of obtaining black votes has developed since your meeting with Mr. Dent during the week of January 12. Don Johnson of the Veterans Administration reports that the Urban League claims that the President promised Whitney Young, in Oval Office meetings, 9 million in make-work projects. Dent says there is no written record of this promise. Dent says Len Garment will favor creating these jobs for the Urban League. Garment has not been contacted personally because he has been on a trip and unavailable. Dent is convinced that Don Johnson can reject this request without undue political flak. Dent strongly recommends that he do so, and that any available funds be channelled to Dent/Bob Brown recruited blacks who can deliver for the President on November 7, 1972. I am not sure whether you have discussed Dent's theory of Southern black voters with the Attorney General. Dent has not contacted the Attorney General.

Recommendation:

6-2-72 2/3 If you have not discussed the Dent/Brown theory with the Attorney General, Dent should be advised to do so and then follow the Attorney General's advice on the disposition of the Urban League request.

Approve ✓ Disapprove _____

Comment _____

-4-

3) Rose Mary Woods and Clark MacGregor were invited to Harry Dent's Political Issues Group meeting but did not attend. At that meeting all strongly urged that you tell Frank Shakespeare to make sure no USIA prestige poll similar to the one that damaged Nixon in 1960 is conducted in 1972. A talking paper was prepared for you, but there was only a "check mark" on the cover memorandum (original attached at Tab A) with no indication whether you accepted or rejected the advice of the Political Issues group.

___ Yes, Haldeman will cover with Shakespeare

___ No, the Attorney General will cover with Shakespeare

___ Neither Haldeman nor the Attorney General will cover it, drop the suggestion

___ ~~X~~ Other: _____

G. L. W.
12/1/72
2/3

According to Magruder, rumors are circulating in the Washington Press Corps that Shakespeare will be leaving USIA to join the Campaign. Magruder checked with the Attorney General and he confirmed that Shakespeare will not join the Campaign.

Fred LaRue

He has begun sitting in the Campaign Strategy meetings, working with Flemming, and generally making a contribution to the Campaign.

G. LaRue
2/7

The Attorney General has asked LaRue to assume supervisory control of the RNC. In that connection, LaRue has asked that you send the memorandum attached at Tab B to the White House Staff. It would enable LaRue to determine who is asking for what at the RNC.

That's ridiculous

Cliff Miller

On January 27 Miller told the Attorney General that Harry Flemming and the field operation needed Fred LaRue to add stature and ability. The Attorney General agreed and plans on meeting with Flemming and LaRue this week.

The Attorney General told Miller that he would set the date of his official move to 1701 in a discussion with the President on January 29. Miller does not know what was decided.

RNC Convention

1) John Dean summarized an Intelligence Evaluation Committee report on the demonstrations planned for the Republican National Convention in San Diego (Tab C);

2) Bill Timmons submitted three memoranda to the Attorney General on San Diego and the 1972 Convention. The first indicates that original estimates of income and costs must be revised substantially. As to income, the City of San Diego is failing to honor its commitment to pay for convention hall expenses. The RNC is "reluctant" to accept the ITT-Sheraton money. Expenses projected by Dick Herman are not essential. Timmons is asking for authority from the Attorney General to direct Herman to cut expenses and force San Diego to deliver on its commitments. The second memorandum describes the success Timmons had, working with the Attorney General, in persuading Senator Scott to accept the position of "floor leader". Finally, Timmons notes that LIFE has an investigative reporter working on what may be a rather negative article on San Diego, the RNC Convention, and C. Arnholt Smith. (Timmons' three memoranda are attached at Tab D).

Jack Gleason

As you know, Jack Gleason's name has appeared in the recent "milk money" stories in the STAR. Gleason is "sick and fed up with this type of material appearing in the press". Gleason blames Bob O'Dell and Eleanor Williams at the RNC. However, Gleason is also mad at Colson stemming from Colson's "summoning" him to his office and "accusing" Gleason of leaking derogatory information to the press about Colson. Gleason is seeking advice whether he should have a quiet, off the record, discussion with reporters Jules Whitcover and Polk to demonstrate that Gleason is a "nice" guy. It's hard to imagine a worse idea than having Gleason talk with reporters, but told Gleason I would check.

Yes, Gleason see reporters

No, Gleason should continue to avoid reporters

Other

Don Rumsfeld

One memorandum on the conservative recruitment procedure in England arrived. An anonymous memorandum on the Indiana situation urges cultivation of Irwin Miller.

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Magruder's Projects

1) Schedule Matters -- Updated lists of surrogate candidates' appearances in New Hampshire and Florida are attached at Tab E. *What are the results?*

2) Older Voters -- You asked what the various Administration Officials were doing to cultivate the older voters. Ken Cole does not receive reports from Vicki Keller of the Domestic Council but does regularly review her work. Bud Evans, Colson's older voter's project manager is following an older voter plan developed in Colson's office. A final version of the report will be submitted to you and the Attorney General. Keller and Evans are working with Arthur Flemming and Danny Todd of the Committee to Re-Elect the President. *What are the results?*

3) Magruder as Spokesman -- Magruder was quite upset by your January 17 memorandum to the Attorney General indicating that Magruder should not be a spokesman for the Campaign. Magruder emphasizes that he and the Attorney General agree but that since May until February 7 there was no one else who could "get out the lines requested". There were only three series of interviews and most were quite positive. Magruder anticipates another series around the time of the Attorney General's move, but Shumway will handle the Committee's relations with the press at that time.

4) Polling -- The Attorney General directed Magruder to give Bob Teeter three weeks to deliver on his poll results scheduled or seek employment elsewhere. Magruder believes Teeter will now begin delivering the results and the projects you have requested. However, the Campaign polling system is currently working poorly. You are receiving chunks of survey data with no recommendations as to what should be held by you and the Attorney General and what should be distributed to Peter Dailey, Harry Flemming and other members of the Campaign Strategy Group. I would welcome the assignment of reviewing these materials, recommending data for release, and processing requests to Teeter. One alternative, which Magruder is urging, is a meeting with you, the Attorney General, Teeter, and Magruder to resolve the polling problems of the quantity and quality of Teeter's work and the access to polling information.

_____ Haldeman meet with the Attorney General, Magruder, and Teeter

_____ Strachan review polling materials

_____ Other

WH

Copy #1 of 3

February 16, 1972

MEMORANDUM FOR:

H.R. HALDEMAN

FROM:

001299

GORDON STRACHAN G

SUBJECT:

Political MattersFinances

1) Herb Kalmbach will serve as Associate Chairman of the Finance Committee under Secretary Stans. The Attorney General concurs.

2) Kalmbach cleared with the Attorney General and Stans the 350 in green under your unquestioned personal control. A separate box of green is being developed for the Campaign.

3) Kalmbach will receive an additional 100 from Dick Watson in Paris raising Watson's total from 200 to 300.

4) Kalmbach is working with the milk people to increase the 233 currently banked to 1,000 by April 7.

5) Kalmbach saw Don Nixon and informed him that he should channel all requests of the White House through Kalmbach. This is exactly the same treatment Jack Drown receives.

6) Kalmbach granted the full-time gardner at San Clemente, Brigado Garcia, a \$25 per month raise bringing his monthly salary to \$539.00.

7) Concerning the Star story on Kalmbach, discussions with John Dean, Fred Malek, Jack Gleason, Hugh Sloan, Jeb Magruder, and Herb Kalmbach developed these tentative conclusions:

- a) The material is primarily the result of thorough investigative reporting by skilled newspapermen;
- b) The material was probably not directly leaked but rather the result of careless, loose talk disclosing the only new information, Kalmbach's name;
- c) Information from 1968 may have come from Dan Hofgren (Herb Kalmbach lectured him harshly); the 1970 information may have come from Eleanor Williams (Jack Gleason and Herb Kalmbach say she is vindictive and cannot be influenced) and the 1972 information may have come from Jon Huntsman, who was mentioning Kalmbach's name to people when leaving the White House Staff. Kalmbach personally talked to him. These

NOTE: THE COMMITTEE ON THE JUDICIARY RECEIVED FROM THE WHITE HOUSE 21 POLITICAL MATTERS MEMORANDA PREPARED BY GORDON STRACHAN BETWEEN AUGUST 1971 AND SEPTEMBER 1972. THESE MEMORANDA ARE REPRINTED IN A SEPARATE VOLUME AS AN APPENDIX TO THE STATEMENT OF INFORMATION. SEVEN POLITICAL MATTERS MEMORANDA ARE INCLUDED IN BOOKS I-IX AS SUPPORTING EVIDENCE FOR THE STATEMENT OF INFORMATION. THESE MEMORANDA ARE REPRINTED AT BOOK I, PARAGRAPHS 1.1, 2.1, 5.1, AND 5.2; BOOK II, PARAGRAPHS 33.8 AND 33.9; BOOK VI, PARAGRAPHS 42.1, 42.2 AND 42.3; BOOK VII, PARAGRAPHS 75.5, 75.6, 75.10 AND 80.1; AND BOOK VIII, PARAGRAPH 17.1.

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tentative conclusions regarding sources of information have not been confirmed by photographs.

8) The budget committee for the Committee for the Re-Election of the President will be Stans and the Attorney General as Co-Chairman, Herb Kalmbach as Associate Chairman, and Lee Nunn, Cliff Miller, and Fred Malek as members. Magruder is not on the Committee. Paul Barrik, a Stans' recruit, will act as Controller and Hugh Sloan will continue as Treasurer.

9) Within the strictly finance area, Stans will be Chairman and Leonard Firestone, Gus Levy, Max Fisher, John Rollins, and Mrs. Ogden Phipps will serve as Co-Chairmen. In House the Vice Chairmen will be Dan Hofgren, Lee Nunn, and Newell Weed.

10) Stans' goal of 10,000 in by the Campaign Spending Legislation effective date of April 7 is approximately one-third complete.

11) The Campaign has raised 5,000 but spent 2,000 in its first nine months. Expenses for January totalled 550 while projected expenses for February are 900. The Attorney General has asked Magruder for a list of the 124 employees and their salaries.

G. 7 Malek 2/22
Harry Dent

Malek could raise a pertinent question now & then at budget Comm. mtg.
1) Magruder believes he was the source of the February 14 Evans and Novak story on political aides at the White House criticizing the "consciously aiding" comment you made. The meeting could have been the Campaign Strategy Group meeting of February 7. Magruder has re-cast the Campaign Strategy Group to exclude Dent.

2) Dent advised the Attorney General that if Governor Nunn does not seek John Sherman Cooper's Senate seat, Robert Gable should be encouraged. Gable is a wealthy, loyal Republican.

3) Dent advised the Vice President that he should speak to the California Republican Assembly on April 8. Governor Reagan urged that the Vice President appear, and the Vice President accepted.

4) In the New Mexico Senate race Dave Cargo may cause problems in the GOP primary even though our 1970 candidate for Governor, Domenici, is the only one who could beat the Democrat, Jack Daniels.

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✓ 5) A nationwide voter turnout survey indicates that only in the South has there been a rise in voter turnout, while the key states, Ohio and Missouri, suffered a decline of 7.9% and 8.1% respectively between 1960 and 1968. The rise in the South is attributed to the black vote while the decline in certain states is attributed to apathy.

✓ 6) Wallace Henley monitors George Wallace for Harry Dent through Tom Turnipseed, Wallace's former Campaign Manager. A third party challenge by Wallace in November is not anticipated but could develop if Wallace receives enough money and publicity.

✓ 7) West Virginia Governor Arch Moore will seek re-election according to Dent because he has a poll showing him ahead of Jay Rockefeller. The President leads all Democratic contenders in West Virginia by at least 13% when Wallace is in the race.

✓ 8) David Treen lost the Louisiana Gubernatorial race to Congressman Ed Edwards because of the solidarity of the Democratic Party and the heavy black vote. Dent believes that this relatively narrow defeat augurs well for the President even if Wallace is in the race.

✓ 9) In North Carolina, Charlie Jonas, Jr. has turned out to be a weak Nixon Chairman who will not dissociate the Jim Holshouser effort to become Governor. Dent has assured the Attorney General that he will continue to try to separate the Nixon and Holshouser operations and to prevent any other campaigns from tying into the President's campaign.

Don Rumsfeld

✓ He forwarded an anonymous political assessment of Hawaii which indicates that "the likelihood of the President carrying Hawaii seems very slender". There are no races state wide in Hawaii in 1972.

Tom Evans

✓ 1) The primary responsibilities of the RNC in the 1972 Campaign will be voter registration, voter turnout, and ballot security. The registration drive (Target '72) began in Florida and Texas in January and will continue through the spring. Ed DeBolt at the RNC is the man responsible to register 1 1/2 million Republicans by May 15 and 8 million by October 1972.

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6-2-72 4/7
C-100
2) Tom Evans asked Jeb Magruder to censure John Lofton for his POW wife call last week. Evans does not feel he controls Lofton. Chuck Colson is exerting more control over Lofton and Monday with only occasional complaints from Evans.

Don't censure him for one mistake - his one 100 thing right
Charlie McWhorter

During the campaign he will continue to travel at AT&T's expense. However, he has terminated his formal ties with the Vice President's office to protect against any suggestion of impropriety.

Magruder's Projects

1) Advertising -- The newspaper ads that Peter Dailey prepared and you reviewed on February 14 will run in New Hampshire. You did not view the TV spots which are not scheduled to run in New Hampshire. The decision as to the extent of the media campaign in Florida will be made when the Florida follow-up telephone poll arrives.

2) New Hampshire/Florida -- The extensive direct mail (\$75,000 in New Hampshire and \$100,000 in Florida) and telephone (\$25,000 in New Hampshire) campaigns are continuing as planned.

6-2-72 4/7
6-2-72 4/7
3) Wisconsin -- A campaign plan prepared by the Davis Agency for Nixon State Chairman John MacIver has been submitted to Magruder for review before submission to the Attorney General. *Why didn't it go to Dailey?*

4) Farm -- Clayton Yeutter, the farm director at 1701, hired John Foltz, visited Secretary Butz, farm Senators and Congressmen, and worked with USDA on the rural development issue.

5) Elderly -- Fred Malek has been asked to "untangle" the White House/1701 confusion. His report is due March 1. Arthur Flemming is now scheduled by the 1701 speakers bureau. Danny Todd and Peter Dailey are re-working HEW films for the elderly.

6) Spokesmen Resources -- Schedules for New Hampshire, Florida and Wisconsin are submitted weekly.

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7) California -- The California delegation list for the RNC Convention has been submitted to the Attorney General. The Los Angeles County list has not been completed. The Attorney General authorized \$150,000 for a special 1,000,000 new young voters drive in California under the direction of Ken Rietz.

8) Campaign Strategy Group -- At the February 7 meeting the group approved the title for the campaign newspaper (The Re-Elector). Bob Teeter informed the group that the "President was in good shape in 17 of 19 target states, and was running ahead of his 1968 margin. Important issues are Vietnam, inflation, and order/calmness (in the President's favor), environment, race, health care (even), unemployment, crime/drugs (negative)."

9) Campaign Briefing -- Fred Malek and Jeb Magruder are considering a briefing for the White House staff on the activities at the Committee for the Re-Election of the President.

10) Media Monitoring -- Van Shumway is establishing state by state systems to review press coverage and to counteract negative comments. The Illinois program with weekly reports will serve as the model. The Attorney General does not receive the proposal, but Shumway is proceeding with Magruder's concurrence.

11) RNC Convention -- Timmons and Magruder have asked the Attorney General to establish a permanent office in San Diego with Chick Cudlip as Executive Director. No decision has been reached. Timmons is meeting bi-weekly with Senator Dole, Representative John Rhodes, Dick Herman, John Dean and Bryce Harlow on plans for the Convention.

12) New York -- The Attorney General is using Bob Marik (generally considered the best man at 1701) as the staff man for regular contact with Governor Rockefeller's staff.

13) Magruder is seeking authority for approval of Campaign media by Cliff Miller instead of you for the White House. Repeated explanations to Magruder that you only want to see the material on an FYI basis have not convinced him that this is unnecessary. Magruder frequently finesses Miller (e.g. the infamous RNC film) in spite of the fact that Miller is the final media review for the Attorney General. However low your interest in the media materials you should continue to receive them on an FYI, not approval, basis.

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14) Magruder and Colson are increasingly at odds. The most recent dispute concerns the "line" as to whether Muskie should be personally attacked on his war stand. After your "consciously aiding" statement Magruder and Miller thought they had an agreement on behalf of the Attorney General that Colson was not to continue programming hits at Muskie. Colson continued the attack on Muskie through Cabinet and Hill spokesmen. Magruder plans on seeking authority from the Attorney General to be the only contact with the spokesmen to the express exclusion of Colson.

*This is not acceptable —
Colson is acting under express
instructions. Tell Magruder
to talk to me if he has
a problem —*

H

G-2 Jim
2/16

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1 Mehren, Mr. Nelson, and Mr. Jacobsen and several other law
2 partners in Los Angeles.

3 (A brief recess was taken.)

4 Mr. Weitz: Back to the February 3 meeting. I was about
5 to say, before our break, do you recall that meeting with Mr.
6 Nelson, Dr. Mehren, Mr. Jacobsen and two of your partners?

7 Mr. Kalmbach. I do.

8 Mr. Weitz. Those partners were Frank DeMarco and Bob
9 Olsen?

10 Mr. Kalmbach. That's correct.

11 Mr. Weitz. What was the purpose of that meeting?

12 Mr. Kalmbach. The purpose of that meeting, as I remember
13 it, was that Mr. Jacobsen had talked to me, I think it was in
14 January, and asked me to meet with Mr. Mehren, who was then the
15 new general manager, to be appointed the general manager of
16 AMPI. And he just wanted me to get acquainted with him.
17 And they flew out, as I remember, from Texas to California, and
18 we met in our Los Angeles office about 11:00 or 11:30 in the
19 morning on the 3rd and after a relatively short time adjourned
20 to the Jonathan Club for lunch. And we said goodbye to them
21 on the street corner, where they left to return to the airport
22 to fly back to Texas.

23 Mr. Weitz. Was there a discussion, either in your offices
24 or at lunch, as to contributions?

25 Mr. Kalmbach. I don't remember too specifically on this.

1 I think I indicated to them at the luncheon table that any con-
2 tributions would be appreciated. And the first time I ever met
3 Mr. Mehren was then, and I made it just plain to them and at
4 some length, because I had never met Mr. Mehren before.

5 I went into quite a little statement at the outset that
6 you have to understand that there was no quid pro quo involved,
7 because I was, frankly, concerned and I wanted to be sure that
8 he understood that. And I recited that at that meeting.

9 Mr. Weitz. Was there any particular reason for that con-
10 cern?

11 Mr. Kalmbach. I didn't know what they wanted to talk about,
12 and I didn't know what might come up later. And by this time
13 there had been the Nader-Butz suit filed. And there had been
14 publicity in September, October. I frankly was not enthused
15 about handling these, this particular contributor group. I had
16 taken it on because I had been asked to do so, but I made it
17 clear, I think, to Gordon Strachan. I think I made it clear to
18 Bob Haldeman, either directly or through Gordon Strachan, that
19 I would prefer not to handle this assignment. It was something
20 I just really would have preferred not to do. But because I
21 liked Jake Jacobsen and because I felt that I would be willing
22 to meet with this man, I agreed to meet him out in Los Angeles.

23 Mr. Weitz. Now, our records show that in 1971 there was
24 an ongoing investigation by the Justice Department of the milk
25 producers, and particularly Associated Milk Producers, ANPI,

1 that there was some, in the fall of 1971, some concern expressed
2 by Mr. Colson to Mr. Haldeman about the impact of that investi-
3 gation on their relationship with the milk producers, possibly
4 some discussion between Mr. Haldeman and Mr. Mitchell on that
5 score also.

6 Subsequently, I think the record also shows that at some
7 time in late November 1971 Mr. Mitchell rejected a request to
8 have a grand jury impanelled. Ultimately, on February 1, 1972,
9 two days before the meeting you just described in Los Angeles,
10 a civil suit was filed against Associated Milk Producers by the
11 Justice Department.

12 Now, my question is this: Wasn't there some concern, and
13 if it was not expressed by you at least to you, or awareness,
14 that this increased activity in January and February of contacts
15 or attempted contacts by the milk producers was in some way
16 connected to the antitrust suit?

17 Mr. Kalmbach. Well, I've been asked questions in this area,
18 and my memory on it is just not too good. I remember that I
19 talked with Mr. Mitchell back and forth through this latter
20 part of January and in early February. This was just shortly
21 before Mr. Stans came aboard as finance chairman. There were
22 a number of things we discussed.

23 It would be my best memory that at some point in these
24 discussions there was some mention of the fact of the antitrust
25 action being filed, the fact that there was a great deal of

1 displeasure expressed, I think, by some of the milk people. And
2 for some reason, Chicago comes into my mind.

3 Mr. Weitz. I think the investigation was run out of the
4 Chicago office.

5 Mr. Kalmbach. And I think Mr. Mitchell was indicating to
6 me that, although I was dealing with these people, that I
7 ought to understand that they were probably upset.

8 Now, I don't know whether he indicated to me that he was
9 being talked to by Mr. Colson. It just -- I don't have a really
10 good memory as to these discussions, other than that I was
11 advised, I think by Mr. Mitchell, of these ongoing things.

12 Mr. Weitz. In that connection, were you asked either
13 directly or was it your impression that Mr. Mitchell or Mr.
14 Stans, or perhaps even Mr. Haldeman, were asking you to, in a
15 sense, soothe over the wounds of the dairy people and still see
16 if something could be salvaged from your contributions, from
17 the earlier commitment?

18 Mr. Kalmbach. I think essentially that is right. I think
19 I indicated to Mr. Strachan, as a result of my meeting earlier
20 with Mr. Nelson in Los Angeles, now, as you refresh me with
21 your record, that I indicated to Mr. Strachan that it was a
22 good meeting in the sense that the milk people were reaffirming
23 their decision to support the campaign, even though there was
24 a cutback from \$2 million pledged to \$1 million.

25 Now, I ought to go on and indicate, because it is from my

1 memory, now, again it has been refreshed, that Mr. Jacobsen
2 and I worked out a balance of the pledged amount of \$750,000,
3 which I had come upon, as I remember. the figures here, that
4 there was approximately \$250,000 that had been contributed to
5 that time, and that if they were reaffirming the pledge of \$1
6 million now, or affirming the pledge of \$1 million, modified
7 from \$2 million, that left \$750,000 still to be paid.

8 Now, I remember that I advised Mr. Stans of that. And I
9 have a memory that I worked out a month-by-month schedule with
10 Mr. Jacobsen as to the manner in which the milk people would
11 get these contributions over to us. I think that most of those
12 contributions were to be gotten over to us prior to April 7,
13 but some would be gotten over to us after April 7.

14 Mr. Weitz. Do you recall at the meeting in February in
15 California any reference either by you or Mr. DeMarco to the
16 schedule which might entail, for example, one-third payment
17 in February, one-third payment in March, one-quarter just prior
18 to April 7, and the remainder after April 7?

19 Mr. Kalmbach. You mean with Mr. Jacobsen?

20 Mr. Weitz. Mr. Jacobsen and/or Dr. Mehren or Mr. Nelson.

21 Mr. Kalmbach. I don't recall that.

22 Mr. Weitz. Is that consistent with your recollection of
23 discussions with Mr. Jacobsen alone?

24 Mr. Kalmbach. Yes, it is. And perhaps with Mr. Nelson.
25 But I don't have any recollection at all of such a discussion

with Mr. Mehren. And, of course, not at all with Mr. Colson or Mr. DeMarco.

Mr. Weitz. Who was to be the recipient of those contributions prior to April 7?

Mr. Kalmbach. The various committees, the names of which we would give the milk producers.

Mr. Weitz. Was there any negative reaction?

Was this plan, whether or not its specific amounts, but this general plan of committees to receive additional contributions mentioned in the February 3 meeting?

Mr. Kalmbach. I don't remember that it was.

Mr. Weitz. And you don't recall Dr. Mehren reacting negatively to the thought of additional committees receiving contributions prior to April 7?

Mr. Kalmbach. I don't recall Dr. Mehren reacting negatively at all. I think there was some discussion about the complexities of campaign finance and all, but I don't remember that we talked at all about amounts or a timetable or that sort of thing.

Mr. Weitz. When did these discussions with Mr. Jacobsen alone with respect to timetable and so forth take place?

Mr. Kalmbach. I think they took place in January, but it could have been in February. I'm just not certain on that.

Mr. Weitz. There's a February 16, 1972, memo from Strachan to Haldeman, political matters memo, that has one short paragraph referring to the milk money. And it says that "Kalmbach

1 principal, or one of the reasons -- this disclosure in connec-
2 tion with the ITT matter in late February or March that led to
3 your decision not to accept any further milk contributions?

4 Mr. Kalmbach. No. I don't remember, Mr. Weitz, that
5 that entered into my thinking. I felt that whatever the ITT --
6 any purpose relative at all to ITT had no relationship, parti-
7 cularly, at all with the milk at all.

8 Mr. Sanders. Finally, to see that we're finally getting
9 Jack Anderson to enter these hearings, even though indirectly

10 Mr. Weitz. What about the antitrust suit that was then
11 pending? Wasn't there, at least in your awareness, from either
12 Mr. Stans or probably Mr. Mitchell, didn't that present -- or,
13 perhaps on a less glamorous scale, the same type of problem as
14 the milk producers?

15 Mr. Kalmbach. Yes, it would have, and I have a particular
16 memory here, Mr. Weitz, of a telephone call on or about April 4
17 that I made to Dr. Mehren at the request, I think, of Mr. Jacob-
18 sen. And when I called him, it was just three days before the
19 new law took effect, and three days before I left to return to
20 California and resigned as associate finance chairman of the
21 campaign. I recall that Mr. Jacobsen said, asked me to call Dr.
22 Mehren, and it seemed to me he was in Texas, or wherever -- San
23 Antonio or wherever; and when I called, it's my very best re-
24 collection that he indicated to me that concern about the anti-
25 trust situation then pending, and indicated to me that he would

1 like to have me intercede with someone at the White House on
2 their behalf, at least to indicate their concern or whatever.

3 Mr. Weitz. Let's be more specific. They were concerned,
4 and they were expressing their concern?

5 Mr. Kalmbach. That's correct.

6 Mr. Weitz. Did you understand that they were expressing
7 their concern to people in the White House already?

8 Mr. Kalmbach. I don't remember. I felt that there was
9 just kind of a general tone of frustration after Dr. Mehren's
10 in Dr. Mehren's voice.

11 Mr. Weitz. Hadn't Mr. Mitchell already indicated that
12 they were -- the milk people -- were concerned about the anti-
13 trust suit?

14 Mr. Kalmbach. Yes.

15 Mr. Weitz. So therefore, he was aware?

16 Mr. Kalmbach. My recollection is that Mr. Mitchell ex-
17 pressed that to me in late January or early February?

18 Mr. Weitz. And therefore, at least, he was aware. And I
19 believe, that period you mentioned, he was Attorney General
20 then, that he was aware of their concern or their displeasure?

21 Mr. Kalmbach. Right.

22 Mr. Weitz. What did you understand Mr. Jacobsen actually
23 to be asking you to do?

24 Mr. Kalmbach. Again, I'm giving you my very best memory
25 on this, but my feeling was that he was asking me to talk to

1 somebody at the White House. I don't remember that he mentioned
2 any particular person's name, but to talk to somebody in the
3 White House on their behalf as to this antitrust problem. And I
4 also had the understanding, or the feeling at the time, that
5 they were about to make another contribution just prior to April
6 7.

7 Mr. Weitz. To the reelection campaign?

8 Mr. Kalmbach. Yes, and this was following my very abrupt
9 breakoff of conversations with him on the March 16, and consis-
10 tent with that breakoff, my memory is that I advised Dr. Mehren
11 that I would not intercede and would not do anything in this
12 area, and that our discussion, our telephone discussion, termi-
13 nated rather abruptly.

14 Mr. Weitz. Let me, if I might, go through this slowly,
15 so that we can extract the extent of your information on this.
16 Do you recall, in the conversations, where Mr. Jacobsen -- I take
17 it he calls you?

18 Mr. Kalmbach. That's my memory.

19 Mr. Weitz. Was there only one call, with both Mr. Jacob-
20 sen and Dr. Mehren calling you?

21 Mr. Kalmbach. I think I placed the call to Dr. Mehren,
22 that Mr. Jacobsen asked me to call Dr. Mehren.

23 Mr. Weitz. Let me indicate to you what we have in our
24 records, and maybe we can refresh your recollection this way.

25 Mr. Kalmbach. Thank you.

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Mr. Weitz. Did there come a time, then, sometime before February 3rd, when you discussed with Mr. Jacobsen, and agreed to meet with Mr. Kalmbach?

Dr. Mehren. Very obviously, but I am not sure that was a personal meeting. I know there were several conversations on the telephone with him -- what does the calendar show?

Mr. Heininger. I think the record, as I reconstructed it, there undoubtedly were some telephone conversations with Mr. Jacobsen. And the final arrangements for going over to Los Angeles apparently were worked out between Mr. Jacobsen's secretary --

Dr. Mehren. And Mrs. Jamieson. I have records to that effect, if you want that, I will give it to you.

Mr. Weitz. Now, when Jacobsen talked about this matter what did he tell you?

Dr. Mehren. Basically that Kalmbach wanted to talk to me about the support of the President in 1972; and that Mr. Kalmbach was in effect the major fund collector for the Nixon campaign. And that in all likelihood, as he put it, that is, "Nelson reaffirmed we would have to live with these people"; and that it would be highly desirable that I get to know him and discuss this matter with him. That, generally, was the thrust of it.

Mr. Weitz. Did he indicate how he came to be the intermediary, or came to the position where he wanted you to contact Mr. Kalmbach?

Dr. Mehren. Only to this extent, that as I recall it

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meeting, just one other area. You mentioned the fact that you discussed commitments in general, and prior obligations and so forth, of management when you took over with Mr. Nelson, at least with respect to one matter with Mr. Parr. How about Mr. Lilly, did you ask him about any such prior obligations, political --

Dr. Mehren. No, I did not.

Mr. Weitz. -- or otherwise?

Dr. Mehren. Not to my knowledge, anyway.

Mr. Weitz. Did you know that Mr. Lilly had substantial political responsibility under prior management?

Dr. Mehren. It was my understanding that he had a political responsibility primarily with respect to two types of political entities; one was the State governments; and the other one was associated with the Animal and Product Health and Sanitation. That was my understanding then.

Mr. Weitz. Do you remember meeting with Mr. Lilly, or seeing him in Washington in March of '71 with respect to the price-support matter?

Dr. Mehren. I don't have any memory of Mr. Lilly being present, but that doesn't mean he wasn't.

Mr. Weitz. Now, on February 3rd you, Mr. Nelson and Mr. Jacobson flew out to Los Angeles and met with Mr. Kalmbach.

Dr. Mehren. Yes.

Mr. Weitz. And also present was Mr. De Marco, and others

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of his law firm; is that correct?

Dr. Mehren. I am quite certain that Mr. De Marco was there, and I think there were three others; I don't know their names.

Mr. Weitz. I see.

Dr. Mehren. I'm not sure it was three.

Mr. Weitz. The meeting began, as I understand it, in Mr. Kalmbach's office, and then you proceeded to go to lunch; is that correct?

Dr. Mehren. Not quite. As I recall it we walked about the area a bit because we were early, and discussed the architecture of the new Bank of America Tower. We then went upstairs, and I believe were met by Mr. De Marco. I would say it might have been 30 minutes after first meeting Mr. De Marco that Mr. Kalmbach came in.

Then, I think, we proceeded to De Marco's offices.

Mr. Weitz. Now, in the earliest, the first contact with Mr. De Marco, did he discuss contributions in any way, before Mr. Kalmbach's arrival, or was it just pleasantries?

Dr. Mehren. No, it was more than pleasantries, as I recall. These were petty things, discussion of certain furnishings, certain art, I think there was discussion of the development of Kalmbach's firm, who they were, where they were.

Mr. Weitz. There were no discussions of contributions?

Dr. Mehren. No, only in the broad sense that we were there

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Dr. Mehren. Yes, I remember Herbert W. Kalmbach ordered what he called a "Virgin Mary", that is very firm in my mind. It moved to a discussion of how contributions, if they were made, now, should be made. It was there, and to my recollection only there, Mr. Weitz, that references to magnitude were made.

I think that it was Mr. De Marco, and I'm not sure, I think it was he who said that if we were to contribute \$350,000, it could be sequenced in a certain way.

Mr. Weitz. What was that sequence?

Dr. Mehren. As I recall, he said the sequence could be if it was, say, \$700,000, you would put so much in immediately; so much prior to the 1st of March; so much during March; so much between April 1st and April 7th; and then some rather minor sum thereafter.

Mr. Weitz. What would you approximate to be the percentage of the total contribution that he suggested could be made, or should be made prior to April 7th of 1972?

Dr. Mehren. I think, now, and I am doing the very best I can to remember accurately, I believe he said - and this again was Mr. De Marco, and not Mr. Kalmbach - that if you, say, find it possible to contribute \$700,000, then it would be sequenced something in the neighborhood of \$50,000 given after April 7th.

Mr. Weitz. Didn't he in fact say \$750,000?

Dr. Mehren. He may well have, this is very difficult.

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I used to be most impatient with people who couldn't remember precisely -- I don't know. The numbers that stick in my head are 350, and perhaps 750, or 700; those two numbers I do remember.

Mr. Weitz. Why did he make that suggestion; did you understand the purpose of dividing up the contribution?

Dr. Mehren. He didn't give me any specification of purpose, but even then, knowing a little about this, not very much, to be truthful; it was very obvious that what he wanted to do was disclose a certain amount of it and not disclose another amount because my understanding of the terms of the law that expired on April 7th was that contributions made prior thereto would not be disclosed.

Mr. Weitz. Was there any direct reference to reporting, and not reporting contributions?

Dr. Mehren. Only indirectly. Now, this is the first thing. The second thing that I responded -- both of these I responded at that meeting; the first thing was the matter of the sequence.

The second was a matter of the recipient agencies, and here was suggested -- and again, that is my memory -- this was Mr. De Marco, although it could have been Kalmbach. Again, I am not being evasive, or coy, I think it was De Marco who said that in this case they could set up State Committees. That the State Committees would consist of real people. They would have chairmen and vice-chairmen, secretaries, treasurers, et cetera. They would be State Committees, but they would not

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in any measure be associated with the Republican State Committees, wherever they were. He then said, as I recall, that what we could very properly do, and legally do would be to make contributions to these committees, report them accurately, fully in terms of complete, meticulous conformity to law; then, whatever those committees did with it thereafter was up to them.

Mr. Weitz. Did he indicate that they were not necessarily identified as committees for the President?

Dr. Mehren. I don't recall his saying that. I do recall his saying that they would be fully separate, detached from the normal Republican State Committees.

It was at this stage that I did tell them, that I certainly made no decisions then and there, that I did immediately arrange for a complete termination of any individual decisions with respect to TAPE funds, or any other funds. I didn't like this, and I think I turned to Mr. De Marco at one stage and said, "I am very surprised that you suggest a thing like this, we have been through this blood-bath of what appeared to me to be committees of dubious constituency in 1971; and I certainly don't react well to a proposal to reproduce this activity."

Mr. Weitz. What was his response to that?

Dr. Mehren. His response was that these would be different. These would be committees that were real committees, real people, real addresses, real everything; therefore they were different in kind as well as function from those to which I had

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taken exception with respect to 1971. I did take exception, and I still take exception to what they did in 1971.

Mr. Weitz. But they likewise would have been committees for the re-election of the President.

Dr. Mehren. Well, I don't think there was any effort to dissemble with respect to that. I don't think he came out and said that these special committees that he would set up, real as they might be, would not direct their activities and their funds towards the re-election of the President. Certainly he didn't say the opposite of it.

But these are the two suggestions that were made.

Mr. Weitz. Is there anything else that you can recall at the luncheon meeting with respect to contributions, or any other substantive matters that were discussed?

Dr. Mehren. That is a difficult question to answer.

Mr. Weitz. Was there anything else with respect to contributions?

Mr. Heininger. Off the record.

(Discussion off the record.)

Mr. Weitz. Back on the record.

Let me ask, was there a discussion of any substantive policies, or Administration decisions that affected AMPI; were any such matters discussed at the luncheon?

Dr. Mehren. Not to my recollection, as I told you a little earlier, Mr. Weitz. He did make a rather long and

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eloquent disclaimer of any such things. I have no recollection of the anti-trust case being discussed. The only allusion to anything else was my response with respect to the proposal for temporal sequency and for committee structures.

Mr. Weitz. Now, was there any reference to the anti-trust suit?

Dr. Mehren. I don't recall any.

Mr. Weitz. Mr. Jacobson, at page 159 of our Executive Session testimony here was asked "Did he" - meaning you, Dr. Mehren - "refer to the anti-trust suit that had just been filed against AMPI" - this is referring to the meeting with Mr. Kalmbach - Mr. Jacobson's answer, "Yes, I am sure he did."

Do you recall discussing the matter at lunch?

Dr. Mehren. No, I don't, and for this reason I think I am correct, Alan; I remember a certain contrast. At one stage in the late Nunn discussion I recall his saying, obliquely, "Well, it never could be quid-pro-quo, and never would be. It is correct that the President does remember his friends who helped him."

Now, that is as close to a quid-pro-quo statement as I think anybody ever came to me. I mentioned the Nunn comment because I do not recall any such comment by Mr. Kalmbach, or Mr. De Marco.

Mr. Weitz. Did you ever discuss - apart from this meeting with Mr. Kalmbach -- let me first say, do you recall

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discussing the anti-trust suit with Mr. Kalmbach at all?

Dr. Mehren. I do not. My recollection is, it was an almost consciously directed effort to avoid any appearance whatsoever at any stage of this discussion to any benefit that might come from contribution; or any adverse reaction that might come from not contributing.

Mr. Weitz. Did you hope that any benefits might accrue, whether or not they were overtly referred to?

Dr. Mehren. This again is a question to which I could give you what I now think to be my reaction two years ago -- is that a clear comment?

Mr. Weitz. Well, I am asking you what you thought at the time.

Dr. Mehren. I can now respond to you, I think, what I now think I thought at the time. I would have been deeply shocked two years ago to consider that, after having worked for Administrations previously, that any reference to contributions would in any measure be tied to any action, or failure to act by an Administration because in absolute truth, in anticipation in four preceding Administrations at one level or another, the very thought of it would be deeply shocking to me.

Again, this was two years ago. So, no; as I look back on it, it seems to me now that I had a rather different response to this. Perhaps I didn't have it then, but I certainly have it now, and that is, if you don't contribute, what they might do.

Now, there were several letters, I think, that you have been shown of February, 1972, from Marion Harrison; one to Mr. Heininger, one to Mr. Russell, and one to you.

Dr. Mehren. Can I see them?

Mr. Weitz. The other two that are not addressed to you show copies to you. I believe you have seen copies of these letters?

Dr. Mehren. I have to look at them first.

This is some irony that they insist on expedited depositions. I have seen it.

Mr. Weitz. I am going to mark them and ask you specific questions. I'm not going into detail.

Dr. Mehren. You want to ask on this one, from Harrison to Russell?

Mr. Weitz. You have seen those three letters. I am going to mark this as Exhibit 1-A, a letter of February 28th from Russell to Heininger; and 1-B a letter from Harrison to Russell; and finally 1-C a letter from Harrison to you.

(Executive Session Exhibits 1-A,
1-B and 1-C, George Mehren,
were marked for identification)

Mr. Weitz. Now, these letters are all late February, 1972, and the subject matter is the anti-trust suit that had been filed by the Justice Department against AMPI on February 1, 1972.

Now, in the letter from Marion Harrison to you, Exhibit 1-C, the first sentence begins, "In view of the changing

of the guard, apart from Jake's reasoning, I decided, with Murray's concurrence not to talk with the incumbent but to take the matter up anew with his successor."

Now, with respect to that paragraph, first of all, what was Jake's reasoning?

Dr. Mehren. Well, now, I'll have to go back. Let me try to put this thing together now as best I can. As I recall this matter, Steward Russell, out of his own volition, stated that he knew people at various levels at the Department of Justice with whom he had worked in the past.

I had, I believe, said to Russell, probably to Jacobsen also, and certainly to Mr. Heininger and to members of the Senate here that it appeared to me that the extreme press exposure of the alleged activities of 1971 had so hardened the position of the Department of Justice that it was virtually impossible to talk compromise, or consent, which was in fact given in the early days as a decree cited; and in fact there is an ultimatum in the original.

My interest, and I think ultimately out /sic/ of Mr. Heininger, was to see whether we could counter the apparent intransigence of the Justice Department people at least to sit down and reasonably discuss the possibilities of consent.

Now, that, I believe, I said to virtually every counsel involved in this battery of litigation that I inherited. I know what Russell suggested. What Jake's reasoning is at this

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stage, I don't know. I suspect that Jake's reasoning would be, if you follow the usual procedures that Jake follows, that we would find access through contacts that Jacobsen could establish, ultimately, if necessary, to discuss the possibilities of compromise with the Attorney General, as free as possible of the deeply seated preconceptions that seemed to burden the Chicago Office on the working level of the Department of Justice.

Proper or not, Heinie, I think you and I discussed that.

Mr. Weitz. What access is Jacobsen referring to?

Dr. Mehren. Mr. Jacobsen's usual access, after the termination of the Johnson Administration was Mr. Connally. Whether it was here I can't specifically recall, but I assume it to be so.

Mr. Weitz. Now, this letter is dated February 25th.

Dr. Mehren. Yes.

Mr. Weitz. On March 16th of 1972 you met with Mr. Connally, didn't you?

Dr. Mehren. Yes.

Mr. Weitz. At whose suggestion?

Dr. Mehren. Jacobsen's.

Mr. Weitz. Who else met with you?

Dr. Mehren. Mr. Nelson.

Mr. Weitz. What did Mr. Jacobsen talk to you about in connection with that meeting?

Dr. Mehren. Setting it up. I can give it to you almost

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Mr. Weitz. Did you express the opinion to Mr. Connally that there was a negative attitude on the part of the Department of Justice, the administration, toward dairy cooperatives?

Dr. Mehren. Yes.

Mr. Weitz. So, it wasn't just with respect to costs that came up --

Dr. Mehren. Oh, no; it came up as to price support; it came up here --

Mr. Weitz. Did that include -- one of those elements was the anti-trust suit?

Dr. Mehren. It was the anti-trust suit as one element within a fabric of litigation.

Mr. Weitz. Why did you include the price-support matter when in fact Mr. Nelson, according to your testimony, had committed your cooperative not to seek an increase?

Dr. Mehren. I included that, and I kept that commitment, as I told you.

Mr. Weitz. So, therefore, it would not have been surprising.

Dr. Mehren. No, no, no; the Secretary of Agriculture, quite aside from representation from AMPI did in fact receive representation from the rest of the dairy farmers of the United States with virtually no exception. The Secretary of Agriculture made his finding at the lowest possible level that he could make it under the law; and I did say that to --

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Mr. Weitz. Are you aware that in March of 1971 the President met with representatives not only of AMPI, but a number of cooperatives. Now, unless that is a meeting we are not aware of where Mr. Nelson made this commitment to the President, if he in fact made the commitment, would it have been at that meeting?

And are you also aware that in the White House "White Paper" with respect to the milk price-support question the President indicated that in making his decision in March of 1971 he was setting it, essentially, for two years?

Dr. Mehren. I have not really read the "White Paper", Mr. Weitz; I have read press excerpts from it. I can tell you only that in response to my questions, and the information given to me by other participants in that meeting I was advised that Nelson had said that AMPI would not make representation for an increase in 1972. After consultation with the Board, I agreed to keep that commitment. Therefore, there was no AMPI submission.

However, there were submissions from the National Milk Producers' Federations, and I believe from most of the other cooperatives in the United States.

The fact to which I referred in my discussion with Mr. Connally was that regardless of the substance of such representations, or the scope of such representations the Secretary meticulously placed the price support in 1972 at

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the lowest possible level; and I took that in conjunction with other decisions that had been made by the Administration that seemed virtually punitive to me, and still do.

Mr. Weitz. Does that include the anti-trust suit?

Dr. Mehren. To be truthful, I have more doubts with respect to the genesis and progress of the anti-trust suit now than I had before.

Mr. Weitz. What did you expect Mr. Connally to do with respect to this matter, including the anti-trust suit?

Dr. Mehren. I expected Mr. Connally to do precisely about these matters - not necessarily including the anti-trust suit - that I had done many times when as Assistant Secretary people came in and said, your program is destructive to us; it is needlessly, fortuitously, wantonly destructive to us, can you do something about it. That's what I had in mind.

Mr. Weitz. What did you want him to do with respect to the anti-trust suit?

Dr. Mehren. I made no request for him to do anything.

Mr. Weitz. What did you intend for him to do?

Dr. Mehren. Well, again, the reference to the anti-trust suit, and the inclusion of the anti-trust suit in this matter brief and broad-ranging discussion with Connally did not involve any request for intervention, nor would I expect any.

Mr. Weitz. You didn't expect him to intervene in any of them, the anti-trust suit along with the other problems.

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meeting that related to campaign contributions?

Mr. Jacobsen. Not that I remember.

Mr. Weitz. Is there anything else that took place at that meeting that related to any substantive problems or governmental programs involving AMPI or the milk producers?

Mr. Jacobsen: Mr. Weitz, I don't remember. I think Dr. Mehren at lunch mentioned substantial problems that the dairy people were having.

Mr. Weitz. Did he refer to the antitrust suit that had just been filed against AMPI?

Mr. Jacobsen. Yes, I am sure he did.

Mr. Weitz. And what did he say about it?

Mr. Jacobsen. Well, he said that the government wasn't treating them very good, or this Administration wasn't treating them very good. And he mentioned the reasons why.

Mr. Weitz. Was there anything else other than the antitrust suit that you recall he mentioned?

Mr. Jacobsen. No, I don't recall specifically what he mentioned.

Mr. Weitz. But at least you do recall that he referred to the antitrust suit?

Mr. Jacobsen. And some other problems.

Mr. Weitz. Did he refer to an IRS investigation of MPI or AMPI?

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Mr. Jacobsen. I don't think so.

Mr. Weitz. What did he say with regard to the antitrust suits?

Mr. Jacobsen. I don't know. I don't recall.

Mr. Weitz. What did Mr. Kalmbach say?

Mr. Jacobsen. Mr. Kalmbach was sympathetic with it.

Mr. Weitz. At that time or any subsequent time, or even before that meeting, did Mr. Mehren ever indicate to you that he hoped that the contributions, if they were to be made, subsequent contributions would help to alleviate their problems with regard to the antitrust suit?

Mr. Jacobsen. I think he did.

Mr. Weitz. When was that, do you recall?

Mr. Jacobsen. No, I don't.

Mr. Weitz. Was this in a private conversation with you?

Mr. Jacobsen. Yes.

Mr. Weitz. Was Mr. Nelson present?

Mr. Jacobsen. I don't know.

Mr. Weitz. Did he ever indicate why that was his hope? Did he base it on any contacts or discussions he had with anyone else?

Mr. Jacobsen. No, not that I know of.

Mr. Weitz. It was just his hope?

Mr. Jacobsen. It was his hope.

Mr. Weitz. Did you communicate that to anyone else?

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Mr. Jacobsen. No, I did not. And he was very uncertain with about whether he wanted to make a contribution, in view of the antitrust suit. He didn't want to be giving his money to a party that had filed suit against him.

Mr. Weitz. Did he tell that to Mr. Kalmbach?

Mr. Jacobsen. Yes.

Mr. Weitz. That he didn't want to give any money --

Mr. Jacobsen. He said he was uncertain as to whether or not he wanted to give any money.

Mr. Weitz. Because of the antitrust suit?

Mr. Jacobsen. That is one of the things.

Mr. Weitz. Did he mention any others that you can recall?

Mr. Jacobsen. No.

Mr. Weitz. Did he mention others that you can't recall?

Mr. Jacobsen. Yes, he did mention others that I can't recall.

Mr. Weitz. Do you recall with any specificity what Mr. Kalmbach said in response to that?

Mr. Jacobsen. No.

Mr. Kalmbach was just sympathetic, and that is all. He didn't say anything. He didn't say he would get the suits dismissed.

Mr. Weitz. Did he say he would hope that maybe the matter could be resolved somehow?

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Mr. Jacobsen. I don't recall him saying that.

Mr. Weitz. Did he indicate that he would take any action?

Mr. Jacobsen. No, he did not.

Mr. Weitz. Did he indicate that he would talk to
anyone about the antitrust suit?

Mr. Jacobsen. I don't recall.

Mr. Weitz. Was there anything else that was discussed
at the meeting with regard to either political contributions
or governmental policies affecting the dairy industry?

Mr. Jacobsen. No.

Mr. Dash. Have you fixed the date?

Mr. Weitz. February 3, 1972.

Mr. Jacobsen. Are you taking that from me?

Mr. Weitz. That is what you have testified to.

Mr. Jacobsen. But you got it from somebody else, too, I
hope.

Mr. Weitz. We won't dispute your word today.

Mr. Jacobsen. Okay, that is good.

Mr. McNelis. Are we fixed on the date, then?

Mr. Jacobsen. I thought it was February 3, 1972.

Mr. Weitz. After that meeting did you have subsequent
discussions with Mr. Nelson and/or Dr. Mehren concerning making
a contribution from TAPE to the Republicans and President
Nixon?

Mr. Jacobsen. I am sure I did.

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C O N F I D E N T I A L

SENATE RESOLUTION 60 -- GENERAL INVESTIGATION

- - -

Thursday, June 13, 1974

- - -

United States Senate,

Select Committee on Presidential

Campaign Activities

Washington, D.C.

The Select Committee met, pursuant to notice, at 9:15 o'clock a.m. in Room G-334, Dirksen Senate Office Building.

Present: David M. Dorsen, Assistant Chief Counsel; Alan Weitz, Assistant Counsel; Donald Sanders, Deputy Minority Counsel.

- - -

TESTIMONY OF HERBERT KALMBACH

Mr. Weitz. Mr. Kalmbach, I first want the record to reflect that this is a continuation of your previous testimony, and you understand that you are still under oath.

Mr. Kalmbach. I do so understand.

Mr. Weitz. Now, you testified before the Committee in Executive Session last on March 22, 1974, and there are several points, I understand, that you would like to correct, or complete with respect to the record on that date.

First, I believe, you testified on page 94 with respect

1 to a conversation you had on or about April 4, 1972 in connection
2 with a representative of Associated Milk Producers, and at that
3 point you referred to a conversation with Mr. Jacobsen and a
4 request that you contact somebody in the White House in
5 connection with the antitrust suit then pending.

6 I take it now that you recall there was just an error in
7 the testimony and that it was Dr. Mehren, not Mr. Jacobsen with
8 whom you spoke.

9 Mr. Kalmbach. Can we go off the record?

10 Mr. Weitz. Sure.

11 (Discussion off the record.)

12 Mr. Weitz. I'm sorry, it actually was an error in my
13 question, I said Mr. Jacobsen, but you understood and were
14 referring to Dr. Mehren; is that correct?

15 Mr. Kalmbach. That is correct.

16 Mr. Weitz. And it was Dr. Mehren that you spoke of on
17 April 4th, and it was he that referred to your contacting some-
18 one in the White House in connection with the antitrust suit.

19 Mr. Kalmbach. That is correct, and I simply, Mr. Weitz,
20 wanted the record to be clear that it was Dr. Mehren I was
21 talking to during that conversation on April 4, 1972.

22 Mr. Weitz. I understand, that was my error in the
23 question.

24 Mr. Kalmbach. Well, just simply to make sure that the
25 record was not confusing.

43. On the list of pre-April 7, 1972 contributions prepared by the Finance Committee to Re-elect the President and sent to the President's personal secretary, Rose Mary Woods, contributions by the dairy organizations are listed separately under the heading: "house account."

	Page
43.1 List of pre-April 7, 1972 contributions maintained by Rose Mary Woods (received from White House). ..	946
43.2 Rose Mary Woods testimony, <u>United States v. Mitchell and Stans</u> , March 18, 1974, 4879-4881.*	947

43.1 LIST OF PRE-APRIL 7, 1972 CONTRIBUTORS

HOUSE ACCOUNT

M.P.

232,500

Milk Producers Association

T.A.P.E.

P. O. Box 32287

San Antonio, Texas 78216

A.D.E.P.T.

Springfield, Missouri

S.P.A.C.E.

Kentucky Trust

508 Portland Bldg.

Louisville, Kentucky 40202

001902

NOTE: *THE ABOVE IS THE LAST PAGE OF THE LIST OF PRE-APRIL 7, 1972
CONTRIBUTORS MAINTAINED BY ROSE MARY WOODS.*

me:mq 8

Woods-direct

4879

ROSE MARY WOODS, called as a witness by the government, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. RAYHILL:

Q Miss Woods, where are you employed?

A At the White House.

Q What is your occupation at the White House?

A Personal secretary and executive assistant to the President.

Q Were you the President's secretary in May and June of 1972?

A Yes, sir.

Q I show you Government's Exhibit 28 for identification.

Are you able to identify that, Miss Woods?

A Do you mind if I put my glasses on?

Q Put your glasses on.

A Yes, sir.

Q When did you receive-- did you receive Government's Exhibit 28 for identification?

A Did I receive it for identification?

Q No. Did you receive the exhibit itself?

A Yes, I did.

1 me:mg 9 Woods - direct 4880

2 Q When did you receive it?

3 A The latter part of June.

4 Q Who did you receive it from?

5 A Secretary Stans.

6 Q Has it been in your files ever since May or June

7 of 1972?

8 A It has. The original has. I think you know

9 Common Cause and other people have had copies of it.

10 Q And this is a Xerox itself, is it not?

11 A Yes, sir.

12 MR. RAYHILL: Your Honor, the government offers

13 Government's Exhibit 23.

14 THE COURT: Show it to counsel.

15 MR. RAYHILL: I believe counsel for both sides

16 will stipulate as to its authenticity.

17 MR. FLEMING: I have no objection to authenticity,

18 if your Honor please. Of course, I have my connection

19 objection with regard to Mr. Mitchell.

20 MR. BONNER: No objection to it, your Honor.

21 THE COURT: All right, it will be received as to

22 Defendant Stans and subject to connection so far as De-

23 fendant Mitchell is concerned.

24 MR. FLEMING: Thank you, your Honor.

25 (Government Exhibit 28 received in evidence.)

1 mp:mg 1 Woods-direct 488

2 Q Miss Woods, was there any conversation with

3 Mr. Stans at the time he gave you that list?

4 A I am sure there was the usual conversation as

5 I would always ask him. His wife has been ill for the la-

6 few years.

7 Also, he did, I am sure, tell me that this was

8 for our - our records and in case we had any social event

9 where we might want some names-- we collect names from 35

10 or 40 lists for every social event we have.

11 Q Did he indicate to you that it was a list of

12 contributors?

13 A Well, I don't know whether he actually indicate

14 it, but I would assume, coming from the Finance Chiirman,

15 that that is what it was.

16 Q Did he indicate to you that this was a list of

17 pre-April 7th contributors?

18 A I believe he did, sir.

19 Q Could you describe what is contained in Govern-

20 ment's Exhibit 23?

21 A Yes, sir. It is a listing by states with names

22 amounts of contributors.

23 Q And turning to New Jersey, it --

24 A Yes?

25 Q Is there any listing for Robert Vesco?

44. On October 21, 1972 Lee Nunn, who had taken over Kalmbach's responsibilities as a major Presidential campaign fundraiser, met with AMPI General Manager George Mehren and asked AMPI to make an additional substantial contribution to the President's re-election campaign. Nunn has testified that when Mehren stated AMPI could not make additional contributions to Presidential candidates, Nunn suggested that AMPI make a contribution to the Republican Congressional and Senatorial campaign committees. Nunn has testified that he reported to Maurice Stans, Chairman of both the Republican National Finance Committee and the Finance Committee to Re-elect the President, that AMPI could not contribute to the Presidential campaign but would probably contribute to the Congressional campaigns and that Stans told Nunn to contact the two Republican Congressional campaign committees and see if they could not make some repayment on loans that had been advanced.

	Page
44.1 Lee Nunn testimony, SSC Executive Session, March 20, 1974, 54, 63-65, 70.	952
44.2 George Mehren testimony, SSC Executive Session, February 7, 1974, 153, 149-51, 155.	957
44.3 Bob Lilly testimony, SSC Executive Session, November 16, 1973, 248-49.	962

1 general, based on the usual solicitation, because that too has
2 been quite a while ago.

3 There are several things I do recall about it. I know it
4 was on a Saturday morning and I went out Friday night and stayed
5 overnight in San Antonio and I got over to Dr. Mehren's office
6 and there was just he there. The place seemed to be closed
7 down. It was in a suburban area I know. And he and I talked
8 alone for some little time. It ended up that delivered me to
9 the airport to get my plane back.

10 My solicitation of Dr. Mehren was the usual one. I may
11 have shown him the telegram that Secretary Stans had sent to
12 our State Chairmen. We used that as one of our lead-ins. So
13 that was to the effect that we expected to be about \$100,000,000
14 short in funds and I might have said that I came out with the
15 thought that maybe they could give us some additional help and
16 that we were very grateful for what they had done, and just to
17 see what they could do for us.

18 And I know Dr. Mehren told me that they would not make any
19 further contributions to the Presidential campaign and he said
20 that also goes for Senator McGovern's campaign.

21 Mr. Weitz. Let me stop you just for a moment on that and
22 let us go off the record.

23 (Discussion held off the record.)

24 Mr. Weitz. Let the record show that David Dorsen is present
25 I suppose from what you have said, Mr. Nunn, that before

1 Mr. Nunn. He should be. Well, in finance, yes.

2 Mr. Weitz. Especially from the finance side?

3 Mr. Nunn. Yes.

4 Mr. Weitz. Now, Mr. Odell has testified before the Com-
5 mittee in his opinion that money as late as this in the campaign
6 could not have been used judiciously for a particular senator's
7 campaign. Can you reconcile his opinion with yours?

8 Mr. NUNN. Well, Mr. Odell is speaking as a finance man
9 who never ran a campaign in his life and knows nothing about
10 the political side of it. Any campaign operator will tell you
11 that those last few days of getting together on election day
12 expenses for the organizations going out there to bring out your
13 vote is tremendously important and you are always scratching
14 around at the last minute trying to get those funds together.

15 Money coming in that late may be difficult to use in the
16 field of the media, yes, because you can't put together the
17 television programs. You can get together election night acti-
18 vities, maybe though.

19 Anyway, it is tremendously useful.

20 Mr. Weitz. How soon after the October 21st meeting with
21 Dr. Mehren did you inform the committees of the contributions?

22 Mr. Nunn. Well, when I returned I met with Secretary Stans
23 and told him that my mission had been unsuccessful as far as
24 the Finance Committee to Re-elect was concerned, but I did feel
25 that I had been successful as far as the committees on the Hill

1 were concerned and I said of course that you never counted until
2 it actually arrives. I didn't bring any funds with me.

3 And he said, "well, that is fine." He said, "contact the
4 two committees and see if they can't make some repayment on the
5 loans that we have advanced."

6 Mr. Weitz. What loans were those?

7 Mr. Nunn. At the time of the Republican National Convention
8 in Miami Beach, Secretary Stans declined -- now this is as Chair-
9 man of the Republican National Committee -- declined to take
10 a fair share of the funds from the dinner that was held down
11 there and he gave it to the two Hill committees, and that was
12 first.

13 Then at later dates he had advanced additional funds to
14 the Senatorial Committee and to the House Committee with the
15 understanding that, if at a later date they came into funds,
16 that they would repay all or part of these advances. This was
17 sort of customary in transferring funds back and forth and I
18 guess Secretary Stans assumed that, if they received these checks,
19 they should be in a position to repay some of the funds that he
20 had advanced.

21 Mr. Weitz. I take it that the heads of those committees,
22 the Congressional committees, were aware, of course, at the time
23 of the transfers and so forth that they would be expected to repay
24 if possible?

25 Mr. Nunn. Oh, yes. This is more or less an implied

1 understanding on those things that if you do get into a position
2 to repay, you do. Very often in campaigns you come into late
3 moneys and that makes that thing possible.

4 Mr. Weitz. And I take it also that when the transfers that
5 we are going to discuss subsequent to the milk money coming in
6 were made, that it was discussed that these were in fact repay-
7 ments or in response to those earlier transfers as repayments
8 of loans?

9 Mr. Nunn. Well, that was pretty obvious. I don't recall
10 the words of what I said and what he said but, as I recall it,
11 I talked to Senator Dominick and to Bob Wilson. That would be
12 the normal thing to do. They were the chairmen of those two
13 committees.

14 I was hopeful that the funds would come in from San Antonio.
15 And I negotiated with them what they thought they could do toward
16 a partial repayment on the indebtedness.

17 Mr. Weitz. Well, what did they decide?

18 Did you talk with both Dominick and Wilson?

19 Mr. Nunn. I'm not positive about Wilson. I think that I
20 did. I think that I talked to Dominick, too. There was so much
21 going on and the pressures at that time in the campaign are
22 almost unbelievable when you are sitting there with hundreds of
23 telephone calls coming in and 50 states that you are worrying
24 about, but I am sure I would have talked to the chairmen of the
25 committees.

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gsh:13 said this does thus and so to our bank account or something like that. It may have come up in discussion. I can't recall. It has been a long time.

Mr. Weitz. Did you have a similar conversation with Mr. Ed Terrar or someone on the congressional side?

Mr. Nunn. Terrar, I would think, yes. Ed Terrar would probably be it because I think he was working in that same capacity over on the House side at that time. I don't believe he is there any longer.

Mr. Weitz. Let me get this straight. Who was the money supposed to be transferred to from the two committees, from the Congressional and the Senatorial committees?

Mr. Nunn. The Republican National Finance Committee. You see, Stans was Chairman of the Republican National Finance Committee also. He was acting in two capacities at that time. And his advance to these two committees had been made from the Republican National Finance Committee, I believe. Again, I don't know. I don't have records or access to that and I know nothing about the Republican National Finance Committee's affairs since the 1971 budget meeting, which I think was the last one that I attended.

Mr. Weitz. Did you talk with Bob Odell about these transactions?

Mr. Nunn. Oh, probably so. Bob Odell was sort of a right arm down there. He worked with me at the committee and he was

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the end of the conversation -- why did he wait until towards the end of the conversation to speak of \$650,000 if this other discussion took place at the outset?

Dr. Mehren. I am not sure it was at the end of the conversation. Sometime during the conversation.

Mr. Weitz. Sometime during the conversation?

Dr. Mehren. I do recall his saying we sort of -- he put it this way, we sort of were thinking about \$650,000. He didn't say we have written you down for that or anything explicit as that, but he was sort of thinking about that much for you.

Mr. Weitz. Did he indicate who we were?

Dr. Mehren. Yes, he and his colleagues.

Mr. Weitz. Did he say he talked to Mr. Kalmbach or taken over Mr. Kalmbach's areas of responsibilities?

Dr. Mehren. I believe he said early in the conversation after he told me who he was, what his experience had been, what achievements he had made, that he was in effect replacing, had replaced Mr. Kalmbach as the major or a large fund collector.

Mr. Weitz. Now, you relied -- here was as you indicated here was an important gentleman who you didn't want to treat lightly. You wanted to treat him as courteous as possible.

Dr. Mehren. I didn't want to put myself or the people whom I represented in this position of an arbitrary no, I will not talk to you.

Mr. Weitz. Precisely. And you had not only a resolution

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speaking very carefully about him.

Mr. Weitz. You have had a long standing relation with him?

Dr. Mehren. It became much more intimate after my departing from office and his than before.

Mr. Weitz. Did you in fact take other occasions to consult with him and seek counsel?

Dr. Mehren. This is the first matter of real importance which I disturbed the President.

Mr. Weitz. All right, we will get back to that meeting. Let's address ourselves to the meeting of Mr. Nunn on the morning of the 21st. Could you tell us the substance of the meeting, of what Mr. Nunn said and so forth?

Dr. Mehren. I think I can give it to you seriatim and with substantial accuracy. He first advised me that he was Lee Nunn and he advised me also his brother, Louis Nunn, who was a former Governor of Kentucky and a candidate for the Senate at the time. I believe the most major point that Mr. Nunn made was that he had long been a fundraiser for the Republican Party.

Mr. Weitz. I am sorry. Let's go off the record.

(Discussion off the record.)

Mr. Weitz. Back on the record.

Do you remember the question?

Dr. Mehren. You were asking me the sequence.

I recall him saying that during his career, he had

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probably raised something between \$50 and \$50 million for the Republican Party. And then quite explicitly he asked if we would consider a contribution to the campaign.

Mr. Weitz. In what form, to what recipient?

Dr. Mehren. He suggested two ways. One was to the President of the United States and the other was Democrats for Nixon.

Mr. Weitz. Didn't he -- did he mention a figure by the way?

Dr. Mehren. There is in my mind a statement I think it's accurate that at one stage quite late in the 45 minutes I spoke to him, he said something, well, we had thought about \$550,000 from you. But again there was no direct statement that we would like \$650 or any other figure.

Mr. Weitz. Do you attach any significance to the fact that in the White House memos as late as February of '72, there was a goal figure set of the remaining \$750,000 on the \$1 million commitment from the dairy co-ops to Mr. Nunn's suggestion of a \$650,000 contribution?

Mr. Heininger. I think you will have to back that up with him.

Mr. Weitz. Let me take it one at a time.

In February 1972 if there was a memo from one White House aide to another referring to the fact that approximately one quarter of a million dollars had been received from the dairy

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people and another three-quarters of a million was going to come in prior to April 7th, you attach any significance to the fact that in October, 1972, Leon mentioned a figure of \$650,000 that he had thought you might contribute?

Dr. Mehren. I didn't at the time, Alan. I am not sure I would now. I didn't at the time.

Mr. Weitz. Didn't he in fact relate it back to prior meetings, commitments, conversations, solicitations with Mr. Kalmbach and other fundraisers?

Dr. Mehren. He did not to my memory.

Mr. Weitz. Did you refer to that meeting or these meetings with him at all?

Dr. Mehren. I don't think so. I may well have but I am not certain.

Mr. Weitz. Why not?

Dr. Mehren. Why not what?

Mr. Weitz. Why didn't you tell him that you were in contact with Mr. Kalmbach last spring?

Dr. Mehren. I think I told him prior to any discussions there may have been, I merely tell you that I don't recall it. We had the resolution not to contribute to the President. I told him most unequivocally that I was certain my colleagues would not acquiesce in a contribution to Democrats for Nixon and I told him this rather quickly in the conversation.

Mr. Weitz. What about the President through the Finance

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Dr. Mehren. I told him that neither one of those was open to us. Whether I mentioned -- I rather think that I probably did tell him that I had an earlier discussion with Mr. Kalmbach at which he said no representations would be made. But the fact is I told him that we could not and on this one I was reasonably firm because I quite firmly believe we could not in terms of civil public decency as well as our own self-interest make a contribution to any Presidential candidate.

Mr. Weitz. Now, after he mentioned these two alternatives and mentioned at some point in the conversation the \$650,000, and you responded with respect to your resolution, did he make any additional offers or suggestions?

Dr. Mehren. Not that I know of. I did tell him that we had agreed that we would make contributions to the Committees.

Mr. Weitz. To the Congressional Committees?

Dr. Mehren. Yes.

Mr. Weitz. Didn't he then ask you to increase those contributions?

Dr. Mehren. No, sir. That was done frankly on the recommendation of the President and after consultation with my colleagues because among other things, we could not contribute to a President directly or indirectly. We also had far more funds at that time that could be effectively used on individual candidates for the House and Senate or Gubernatorial races. This was a decision that had been made at the \$100,000 level

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or some time late 1972 just before the election where you were told of further solicitations by representatives of committees on behalf of the President's re-election to Dr. Mehren and other representatives of AMPI?

Mr. Lilly. Yes, there was. I was told by Dr. Mehren of
a --

Mr. Weitz. Off the record.

(Discussion off the record.)

Mr. Weitz. Back on the record.

Mr. Lilly. On the 23rd of October Dr. Mehren had a conversation with him, and he was reporting to me about a visit on Saturday, October the 21st by Mr. Nunn. I don't have his first name; and I have him as treasurer of the Republicans to Re-Elect President Nixon. And he had visited Dr. Mehren in San Antonio on October 21st, 1972.

And at this meeting on the 23rd when Dr. Mehren was relating this conversation to me -- I have some notes on this conversation, and it indicates that Mr. Robert Isham and A.L. McWilliams were present. They may or may not have been. I have their names on a note to the side. And I don't know whether they were or were not present.

But according to the notes that I have, Mr. Nunn's visit to Dr. Mehren was to solicit contributions to re-elect the President, and Nunn suggested alternatives for the Committee for TAPE to contribute on a \$750,000 obligation for the price

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ab 50 support, indicating this would go back to 1971 price support.

It was an obligation created at that time.

And these were words that were used by Mr. Nunn, and again, related to me by Dr. Mehren of a meeting two or three days before.

So Mr. Nunn had in his mind a \$750,000 obligation, and he suggested ways the Committee for TAPE could fulfill this commitment or obligation. And by contributing to the Democrats for Nixon, one; two, contribute to the Committee to Re-Elect the President; three, contribute \$325,000 to the Republican Congressional Campaign [sic] Committee, and \$325,000 to the Republican Senate Campaign Committee.

Those two figures do not add up to \$750,000, but this was from the notes that I did take. And further, my notes indicate that the decision was \$150,000 was contributed to the House Republican Campaign Committee, and \$150,000 to the Senate Republican Campaign Committee, which did in effect happen.

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45. On October 27, 1972 AMPI contributed over \$300,000 to the Republican Senatorial and Congressional campaign committees. Thereafter \$200,000 was used by the Congressional and Senatorial campaign committees to repay loans from the Republican National Finance Committee. On November 6, 1972 and November 13, 1972, \$200,000 was transferred by the Republican National Finance Committee and its subsidiary Republican Campaign Committee to the Finance Committee to Re-elect the President.

	Page
45.1 Lee Nunn testimony, SSC Executive Session, March 20, 1974, 72-73.	966
45.2 Republican National Finance Committee Report to Clerk of the United States House of Repre- sentatives, January 31, 1973 (received from SSC).	968
45.3 Republican Campaign Committee report to Clerk of the United States House of Representatives, January 31, 1973 (received from SSC).	973
45.4 House Judiciary Committee staff summary of transactions among TAPE and Republican political committees, October 27, 1972 - November 13, 1972.	978
45.5 Bob Lilly testimony, SSC Executive Session, November 16, 1973, 250-52 and attachment.	979

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gsh:15

Mr. Weitz. Well, you had discussed it with Secretary Stans, I take it, when you returned from San Antonio and he in fact had told you to get in touch with the congressional committees and perhaps see if they could repay the money. Therefore, in dealing with them, you were not members of those committees either but you were acting under Secretary Stans' direction?

Mr. Nunn. That is right and I dealt with the chairmen, as I recall it of those committees because I don't think that Miss Clancy and Ed Terrar would take instructions from me, although they could because it was a repayment of indebtedness that was on the books and was due.

Mr. Weitz. Do you remember what instructions you gave to Linda Clancy and, for example, the Senatorial Committee as to what dates and what amounts to issue?

Mr. Nunn. I don't remember it at all. I wanted to be sure that it was not construed as a division of milk money. I do know that.

When the checks came in, they deposited the checks in the usual manner and then they made the payment on the indebtedness.

Mr. Weitz. Why were you concerned that it wouldn't be construed that way?

Mr. Nunn. Because it was not that way. That is all.

Mr. Duncan. I'm not sure he understood that question.

Mr. Weitz. Could you read back the last question?

(Whereupon, the reporter read back the previous question and

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gsh:16 answer.)

Mr. Weitz. Do you want any further elucidation of my question?

Mr. Nunn. Yes.

Mr. Weitz. You said that you asked her to deposit the money and make certain disbursements in a way that it would not be construed --

Mr. Nunn. No, not in a way. I told her specifically, I [sic] am sure, to make a check out to the Republican National Committee and the date because it was not in any sense of the word a "division" of milk money. It was a repayment of the indebtedness that the two committees had incurred by accepting the loans from Secretary Stans.

In other words, I was carrying out Secretary Stans' instructions.

Mr. Weitz. And his instructions were based on the fact that, if the milk money did come in, the funds generated from that could be used to repay the loans?

Mr. Nunn. No, not the funds. But this should make it possible -- well, to see if this would make it possible for the two committees to make repayments.

Mr. Weitz. Right, and without that contribution he would not have given you that direction, is that right?

Mr. Nunn. That is right. This was a rather unexpected contribution that we knew they were receiving or should receive

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UNITED STATES HOUSE OF REPRESENTATIVES

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Washington, D.C.

1978 JAN 31 PM 10 04

REPORT OF RECEIPTS AND EXPENDITURES

FOR A

COMMITTEE

SUPPORTING ANY CANDIDATE(S) FOR NOMINATION OR ELECTION TO THE
UNITED STATES HOUSE OF REPRESENTATIVES

Republican National Finance Committee

(Full Name of Committee)

310 First Street, Southeast

Washington, D. C. 20003

(Street)

(City, State, ZIP code)

Identification Number

005975

TYPE OF REPORT

(Check Appropriate Box and Complete, if Applicable)

- ☐ March 10 report
☐ June 10 report
☐ September 10 report
☒ January 31 report
☐ Fifteenth day report preceding _____ election on _____
(Primary, general, special, runoff, caucus, or convention) (Date)
☐ Fifth day report preceding _____ election on _____
(Primary, general, special, runoff, caucus, or convention) (Date)
☐ Termination report

VERIFICATION BY OATH OR AFFIRMATION

State of _____

County of _____

I, Robert P. ODEN, JR., being duly sworn, depose (affirm) and say
(Full Name of Treasurer of Committee)
that this Report of Receipts and Expenditures is complete, true, and correct.

(Signature of Treasurer of Committee)

Subscribed and sworn to (affirmed) before me this 24 day of February, A.D. 19 78

(Notary Public)

My commission expires _____ 19 _____

(SEAL)

RETURN COMPLETED REPORT AND ATTACHMENTS TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1036 Longworth House Office Building
Washington, D.C. 20515

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA

U.S. ELECTION FORM 100

Name of Committee REPUBLICAN NATIONAL FINANCE COMMITTEE

SUMMARY REPORT COVERING PERIOD FROM 10/27/72 THRU 12/31/72

MAILED DELIVERED

005975

1973 MAR -9 AM 10

Column B -
Filing year
A year

SECTION A—RECEIPTS:

Part 1. Individual contributions:

CORRECTION

a. Itemized (use schedule A*) \$ 53,704.00
b. Unitemized \$ 163,292.26
Total individual contributions \$ 196,996.26 314,876.17

Part 2. Sales and collections:

Itemize (use schedule B*) \$ \$

Part 3. Loans received:

a. Itemized (use schedule A*) \$
b. Unitemized \$
Total loans received \$ \$

Part 4. Other receipts (refunds, rebates, interest, etc.):

a. Itemized (use schedule A*) \$
b. Unitemized \$
Total other receipts \$ 87,384.05 608,510.08

Part 5. Transfers in:

Itemize all (use schedule A*) \$ 284,380.31 3,923,386.25

TOTAL RECEIPTS

SECTION B—EXPENDITURES:

Part 6. Communications media expenditures:

Itemize all (use schedule C*) \$ \$

Part 7. Expenditures for personal services, salaries, and reimbursed expenses:

a. Itemized (use schedule D*) \$ 136,901.85
b. Unitemized \$
Total expenditures for personal services, salaries, and reimbursed expenses \$ 136,901.85 536,441.55

Part 8. Loans made:

a. Itemized (use schedule D*) \$
b. Unitemized \$
Total loans made \$ \$

Part 9. Other expenditures:

a. Itemized (use schedule C*) \$ 11,050.00
b. Unitemized \$
Total other expenditures \$ 11,050.00 11,050.00

Part 10. Transfers out:

Itemize all (use schedule D*) \$ 116,740.08 3,669,958.07

TOTAL EXPENDITURES

SECTION C—CASH BALANCES:

Cash on hand at beginning of reporting period \$ 309,095.02
Add total receipts (section A above) \$ 284,380.31
Subtotal \$ 593,475.33
Subtract total expenditures (section B above) \$ 264,691.93
Cash on hand at close of reporting period \$ 328,783.40

SECTION D—DEBTS AND OBLIGATIONS:

Part 11. Debts and obligations owed to the committee (use schedule E*) \$ NONE
Part 12. Debts and obligations owed by the committee (use schedule E*) \$ NONE

*Schedules are to be completed only when itemization is required. (See each Schedule for instructions.) When itemization is unnecessary for a given Part, the total of any amounts for that Part is to be entered on the "Unitemized" line of the appropriate Part of the Summary Report. The word "None" should be entered on any line of the Summary Report where no amount is being reported.

35 - 942 2 969

48.1 REPUBLICAN NATIONAL FINANCE COMMITTEE REPORT TO THE CLERK OF THE HOUSE OF REPRESENTATIVES, JANUARY 31, 1973

Name of Committee: REPUBLICAN NATIONAL FINANCE COMMITTEE

SUMMARY REPORT COVERING PERIOD FROM 10/27/72 THRU 12/31/72

SECTION A—RECEIPTS:

Part 1. Individual contributions:

a. Itemized (use schedule A*)

\$ 53,704.00

b. Unitemized

\$ 141,224.88

Total individual contributions

\$ 194,928.66

\$ 3,312,808.52

Part 2. Sales and collections:

Itemize (use schedule B*)

\$

\$

Part 3. Loans received:

a. Itemized (use schedule A*)

\$

b. Unitemized

\$

Total loans received

\$

\$

Part 4. Other receipts (refunds, rebates, interest, etc.):

a. Itemized (use schedule A*)

\$

b. Unitemized

\$

Total other receipts

\$

\$

Part 5. Transfers in:

Itemize all (use schedule A*)

\$ 87,384.05

\$ 608,509.83

TOTAL RECEIPTS

\$ 282,312.73

\$ 3,921,318.67

SECTION B—EXPENDITURES:

Part 6. Communications media expenditures:

Itemize all (use schedule C*)

\$

\$

Part 7. Expenditures for personal services, salaries, and reimbursed expenses:

a. Itemized (use schedule D*)

\$ 136,901.85

b. Unitemized

\$

Total expenditures for personal services,

salaries, and reimbursed expenses

\$ 136,901.85

\$ 538,441.55

Part 8. Loans made:

a. Itemized (use schedule D*)

\$

b. Unitemized

\$

Total loans made

\$

\$

Part 9. Other expenditures:

a. Itemized (use schedule C*)

\$ 11,050.00

b. Unitemized

\$

Total other expenditures

\$ 11,050.00

\$ 11,050.00

Part 10. Transfers out:

Itemize all (use schedule D*)

\$ 116,740.08

\$ 3,666,958.07

TOTAL EXPENDITURES

\$ 264,691.93

\$ 4,214,449.82

SECTION C—CASH BALANCES:

Cash on hand at beginning of reporting period

\$ 309,095.02

Add total receipts (section A above)

\$ 282,312.73

Subtotal

\$ 591,407.75

Subtract total expenditures (section B above)

\$ 264,691.93

Cash on hand at close of reporting period

\$ 326,715.82

SECTION D—DEBTS AND OBLIGATIONS:

Part 11. Debts and obligations owed to the committee (use schedule E*)

NONE

Part 12. Debts and obligations owed by the committee (use schedule E*)

NONE

*Schedules are to be used only when itemization is required. (See each Schedule for instructions.) When itemization is unnecessary for a given Part, the word "None" should be entered as a lump sum on the "Unitemized" line of the appropriate Part of the Summary Report. The word "None" should be entered on any line of the Summary Report when no amount is being reported.

45.2 REPUBLICAN NATIONAL FINANCE COMMITTEE REPORT TO THE CLERK OF THE
HOUSE OF REPRESENTATIVES, JANUARY 31, 1973

STANDARD RECEIPT - CONTRIBUTION, TICKET PURCHASE, LOAN, AND TRANSFER

REPUBLICAN NATIONAL FINANCE COMMITTEE

(Full Name of Candidate or Committee)

Part No. 1

(Use for drawing Part 2, 3, 4, or 5)

SEE REVERSE SIDE FOR INSTRUCTIONS

(Use separate page (a) for each numbered Part)

Date (month, day, year)	Full Name, Mailing Address, and ZIP Code (occupation and principal place of business, if any)	Aggregate Year-to-date (compute if applicable)	Amount of Receipt This Period
11/1/72	Republican National Committee 310 First Street, Southeast Washington, D. C. 20003	Aggregate Year-to-date \$	30,090.70
11/27/72	Republican National Committee 310 First Street, Southeast Washington, D. C. 20003	Aggregate Year-to-date \$	31,440.59
12/1/72	Republican National Committee 310 First Street, Southeast Washington, D. C. 20003	Aggregate Year-to-date \$	24,379.51
12/1/72	Fund For Good Government 20 Pine Street New York, New York	Aggregate Year-to-date \$	1,473.25
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	

TOTAL THIS PERIOD 87,384.05
(Last page of this Part only)

Page

UNITED STATES HOUSE OF REPRESENTATIVES
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Washington, D.C.

1973 JAN 31 AM 10:04

REPORT OF RECEIPTS AND EXPENDITURES

FOR A

COMMITTEE

SUPPORTING ANY CANDIDATE(S) FOR NOMINATION OR ELECTION TO THE
UNITED STATES HOUSE OF REPRESENTATIVES

REPUBLICAN CAMPAIGN COMMITTEE

(Full Name of Committee)

310 First Street, Southeast

Washington, D. C.

(Street)

(City, State, ZIP code)

Identification Number

005967

TYPE OF REPORT

(Check Appropriate Box and Complete, if Applicable)

☐ March 10 report

☐ June 10 report

☐ September 10 report

☒ January 31 report

☐ Fifteenth day report preceding

(Primary, general, special, runoff, caucus, or convention)

election on

(Date)

☐ Fifth day report preceding

(Primary, general, special, runoff, caucus, or convention)

election on

(Date)

☐ Termination report

VERIFICATION BY OATH OR AFFIRMATION

State of

County of

District of Columbia

Melvin E. Christman
(Full Name of Treasurer of Committee)

being duly sworn, depose (affirm) and say

that this Report of Receipts and Expenditures is complete, true, and correct.

(Signature of Treasurer of Committee)

Subscribed and sworn to (affirmed) before me this 31st day of January, A.D. 1973

(Notary Public)

[SEAL]

My commission expires February 21, 1973

RETURN COMPLETED REPORT AND ATTACHMENTS TO:

The Clerk, U.S. House of Representatives
Office of Records and Registration
1634 Longworth House Office Building
Washington, D.C. 20515

H.R. ELECTION FORM 2

Name of Committee REPUBLICAN CAMPAIGN COMMITTEE

SUMMARY REPORT COVERING PERIOD FROM 10/26/72 THRU 12/31/72

UNDER DISCUSSION

005962

1575ARR-9 AM 10:31

SECTION A—RECEIPTS:

CORRECTION RM

Part 1. Individual contributions:

a. Itemized (use schedule A*) \$ 11,900.00

b. Unitemized \$ 1,929.00

Total individual contributions \$ 13,829.00 \$ 292,435.87

Part 2. Sales and collections:

Itemize (use schedule B*) \$ \$

Part 3. Loans received:

a. Itemized (use schedule A*) \$

b. Unitemized \$

Total loans received \$ \$

Part 4. Other receipts (refunds, rebates, interest, etc.):

a. Itemized (use schedule A*) \$

b. Unitemized \$ 431.66

Total other receipts \$ 431.66 \$ 431.66

Part 5. Transfers in:

Itemize all (use schedule A*) \$225,000.00 \$ 225,000.00

TOTAL RECEIPTS 239,260.66 \$ 317,867.13

SECTION B—EXPENDITURES:

Part 6. Communications media expenditures:

Itemize all (use schedule C*) \$ \$

Part 7. Expenditures for personal services, salaries, and reimbursed expenses:

a. Itemized (use schedule D*) \$

b. Unitemized \$

Total expenditures for personal services, salaries, and reimbursed expenses \$ \$ 80.00

Part 8. Loans made:

a. Itemized (use schedule D*) \$

b. Unitemized \$

Total loans made \$ \$

Part 9. Other expenditures:

a. Itemized (use schedule C*) \$

b. Unitemized \$

Total other expenditures \$ \$ 200.00

Part 10. Transfers out:

Itemize all (use schedule D*) \$ 331,897.26 \$ 1,168,298.80

TOTAL EXPENDITURES 331,897.26 \$ 1,168,578.80

SECTION C—CASH BALANCES:

Cash on hand at beginning of reporting period \$ 149,703.97

Add total receipts (section A above) \$ 239,260.66

Subtotal \$ 388,964.63

Subtract total expenditures (section B above) \$ 331,897.26

Cash on hand at close of reporting period \$ 57,067.37

SECTION D—DEBTS AND OBLIGATIONS:

Part 11. Debts and obligations owed to the committee (use schedule E*) \$ NONE

Part 12. Debts and obligations owed by the committee (use schedule E*) \$ NONE

*Schedules are to be used only when itemization is required. (See each Schedule for instructions.) When itemization is unnecessary for a given Part, the total of any amounts for that Part is to be entered on a lump sum on the "Unitemized" line of the appropriate Part of the Summary Report. The word "None" should be entered on any line of the Summary Report when no amount is being reported.

45.3 REPUBLICAN CAMPAIGN COMMITTEE REPORT TO THE U.S. HOUSE OF REPRESENTATIVES, JANUARY 31, 1973

Name of Committee: REPUBLICAN CAMPAIGN COMMITTEE

SUMMARY REPORT COVERING PERIOD FROM October 27, 1972 THRU December 31, 1972

	Column A— This period	Column B— Calendar year to date
SECTION A—RECEIPTS:		
Part 1: Individual contributions:		
a. Itemized (use schedule A*)	\$ 13,900.00	
b. Unitemized	\$ 1,929.00	
Total individual contributions	\$ 15,829.00	\$ 384,435.47
Part 2: Sales and collections:		
Itemize (use schedule B*)		
Part 3: Loans received:		
a. Itemized (use schedule A*)		
b. Unitemized		
Total loans received		
Part 4: Other receipts (refunds, rebates, interest, etc.):		
a. Itemized (use schedule A*)		
b. Unitemized	\$ 456.08	
Total other receipts	\$ 456.08	\$ 456.08
Part 5: Transfers in:		
Itemize all (use schedule A*)	\$ 221,000.00	\$ 221,000.00
TOTAL RECEIPTS	\$ 239,285.08	\$ 317,891.55
SECTION B—EXPENDITURES:		
Part 6: Communications media expenditures:		
Itemize all (use schedule C*)		
Part 7: Expenditures for personal services, salaries, and reimbursed expenses:		
a. Itemized (use schedule D*)		
b. Unitemized		
Total expenditures for personal services, salaries, and reimbursed expenses		\$ 80.00
Part 8: Loans made:		
a. Itemized (use schedule D*)		
b. Unitemized		
Total loans made		
Part 9: Other expenditures:		
a. Itemized (use schedule C*)		
b. Unitemized		
Total other expenditures		
Part 10: Transfers out:		
Itemize all (use schedule D*)	\$ 331,897.26	\$ 1,168,578.86
TOTAL EXPENDITURES	\$ 331,897.26	\$ 1,168,578.86
SECTION C—CASH BALANCES:		
Cash on hand at beginning of reporting period	\$ 149,703.97	
Add total receipts (section A above)	\$ 239,285.08	
Subtotal	\$ 388,989.05	
Subtract total expenditures (section B above)	\$ 331,897.26	
Cash on hand at close of reporting period	\$ 57,091.79	
SECTION D—DEBTS AND OBLIGATIONS:		
Part 11: Debts and obligations owed to the committee (use schedule E*)	\$ NONE	
Part 12: Debts and obligations owed by the committee (use schedule E*)	\$ NONE	

*Schedules are to be used only where itemization is required. (See each Schedule for instructions.) When itemization is unnecessary for a given Part, the total of any amounts for that Part is to be entered as a lump sum on the "Unitemized" line of the appropriate Part of the Summary Report. The word "None" should be entered on any line of the Summary Report where no amount is being reported.

35-942 2

975

SCHEDULE A

ITEMIZED RECEIPTS—CONTRIBUTIONS, TICKET PURCHASES, LOANS, AND TRANSFERS

REPUBLICAN CAMPAIGN COMMITTEE
(Full Name of Candidate or Committee)

Part No. 1
(Use for itemizing Part 1, 2, 3, 4, or 5)

SEE REVERSE SIDE FOR INSTRUCTIONS

(Use separate page(s) for each numbered Part)

Date (month, day, year)	Full Name, Mailing Address, and ZIP Code (occupation and principal place of business, if any)	Aggregate Year-to-date (complete if applicable)	Amount of Receipt This Period
10/31/72	National Republican Senatorial Committee Room 445 Old Senate Office Building Washington, D. C.	Aggregate Year-to-date \$	65,000.00
11/1/72	National Republican Congressional Committee 300 New Jersey Avenue, S. E. Washington, D. C.	Aggregate Year-to-date \$	95,000.00
11/7/72	National Republican Congressional Committee 300 New Jersey Avenue, S. E. Washington, D. C.	Aggregate Year-to-date \$	6,000.00
11/7/72	National Republican Senatorial Committee Room 445 Old Senate Office Building Washington, D. C.	Aggregate Year-to-date \$	55,000.00
11/20/72	National Republican Senatorial Committee Room 445 Old Senate Office Building Washington, D. C.	Aggregate Year-to-date \$	2,000.00
12/12/72	National Republican Congressional Committee 300 New Jersey Avenue, S. E. Washington, D. C.	Aggregate Year-to-date \$	2,000.00
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	
		Aggregate Year-to-date \$	

TOTAL THIS PERIOD 225,000.00
(Last page of this Part only)

45.4 HOUSE JUDICIARY COMMITTEE STAFF SUMMARY OF TRANSACTIONS AMONG
TAPE AND REPUBLICAN POLITICAL COMMITTEES, OCTOBER 27, 1972-
NOVEMBER 13, 1972

SUMMARY OF TRANSACTIONS

1. CTAPE expends following amounts on October 27, 1972

- (a) \$150,000 to National Republican Senatorial Campaign
- (b) \$150,000 to National Republican Congressional Campaign
- (c) \$27,500 to National Republican Senatorial Campaign Committee
- (d) \$25,000 to National Republican Campaign Committee

(CTAPE Report of Receipts and
Expenditures, filed with
Comptroller General)

2. Republican Campaign Committee receives following amounts

- (a) \$65,000 from National Republican Senatorial Committee
(October 31, 1972)
- (b) \$95,000 from National Republican Congressional Committee
(November 1, 1972)
- (c) \$6,000 from National Republican Congressional Committee
(November 7, 1972)
- (d) \$55,000 from National Republican Senatorial Committee
(November 7, 1972)

(Republican National Committee
Report filed with Clerk of the
House of Representatives)

3. Republican National Committee and Republican National Finance
Committee expend following amounts:

- (a) \$100,000 from Republican National Finance Committee to
Finance Committee to Re-elect the President (November 6, 1972)
- (b) \$100,000 from Republican National Committee to Finance Com-
mittee to Re-elect the President (November 13, 1972)

(Republican National Committee
and Republican National Finance
Committee Reports filed with
Clerk of the House of Representa-
tives)

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Mr. Weitz. Now, are you aware -- you say it did, in fact, happen.

Do you know when those contributions were made?

Mr. Lilly. On or about this time. I could get my Committee for TAPE records and verify the date.

Mr. Weitz. Well, I happen to have the Committee for TAPE records here, the report filed with the GAO, dated November 2, 1972, as received by them. Actually, it was filled out and signed by you on October 31, 1972.

And on page 10 of schedule D of that report, it indicates that on October 27, 1972, there were a number of contributions made, including \$150,000 to the National Republican Senatorial Campaign, with the recipient indicated to be U.S. Senators; \$150,000 to the National Republican Congressional Campaign, and the recipient is indicated to be U.S. Congressmen; and, in addition, \$62,500 to the Democratic Congressional Campaign Committee, with the recipient designated as U.S. Congressmen; \$25,000 to the National Republican Campaign Committee, with the recipient indicated to be U.S. Congressmen; \$27,500 to the National Republican Senatorial Campaign Committee, with the recipient indicated to be U.S. Senators; and \$47,000 to the Democratic Senatorial Campaign Committee, with the recipient indicated to be U.S. Senators.

Now, would you look at that report, which is signed by you, that page of which I will mark as Exhibit 36, and tell me

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whether that is correct, to the best of your recollection.

(Whereupon, the document referred to was marked Lilly,
Exhibit 36, for identification.)

Mr. Lilly. Yes, it is correct, to the best of my recollection.

Mr. Weitz. Off the record.

(Discussion off the record)

Mr. Weitz. Now, with regard to these contributions, obviously we are not interested in exploring, since it is outside the mandate of the Committee, contributions that were strictly to non-Presidential candidates in the 1972 election.

However, this report and the particular contributions I have mentioned indicate that there were contributions to Democratic Congressmen, or Democratic Congressional Committee and a Democratic Senatorial Committee, and there were separate contributions to a Republican Senatorial Committee, and a Republican Congressional Committee, but then two other contributions on the same date to Republican Senatorial and to Republican Congressional Committees.

Now, you have indicated, I take it from your testimony, that the \$150,000 contributions each to the Republican Senatorial and Republican Congressional campaign committees were the result of the meeting between Dr. Mehren and Mr. Nunn in October of 1972, as an alternative to Presidential contributions as a satisfaction of the commitment for the price support.

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Now, let me ask you simply this: In addition to the facts you have already related, do you know anything about the \$150,000 to the Republican Senatorial Campaign Committee and the \$150,000 contribution to the Republican Congressionall [sic] Campaign Committee that is not otherwise indicated on the face of this report?

Mr. Nicholas. One second off the record.

Mr. Weitz. Off the record.

(Discussion off the record)

Mr. Weitz. Back on the record.

Mr. Lilly. Yes, there was some significance. The original termination of my discussion with Dr. Mehren, there had been some discussion with the Committee for TAPE members. I don't remember if it was a telephone meeting, or if it was a meeting in person, but it was determined that \$25,000 each would be given to the Democrats and the Republicans, both on the Senate side and the House side, making a total of \$100,000.

There were some of the monies obligated over and above that to particular candidates, either Republicans or Democrats, and some of those checks would be an increased amount over and above that to cover some of those commitments to individuals that we said we would contribute to, and we did contribute.

On the check in the amount of -- what? -- \$62,000 to --

Mr. Weitz. \$500.

Mr. Lilly. \$62,500. I had a conversation with Senator Dole on that myself.

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COMPTROLLER GENERAL OF THE UNITED STATES

DR

U.S. GENERAL ACCOUNTING OFFICE
Washington, D.C.

REPORT OF RECEIPTS AND EXPENDITURES

FOR A
COMMITTEE

NP000037

1972 NOV 2 PM 3 4
H103172 124SUPPORTING ANY CANDIDATE(S) FOR NOMINATION OR ELECTION TO THE OFFICE OF
PRESIDENT OR VICE PRESIDENT OF THE UNITED STATES

Committee for Thorough Agricultural Political

(Full Name of Committee)

Education

P. O. Box 32287

Identification Number

NP 000037

(Street)

San Antonio, Texas 78284

(City, State, ZIP code)

State (If Primary, Convention, or Caucus)

TYPE OF REPORT

(Check Appropriate Box and Complete, if Applicable)

COPY

☐ March 10 report.☐ June 10 report.☐ September 10 report.☐ January 31 report.☐ Fifteenth day report preceding _____ election on _____
(Primary, general, caucus, or convention) (Date)☒ Fifth day report preceding General election on Nov. 7, 1972
(Primary, general, caucus, or convention) (Date)☐ Termination report.

VERIFICATION BY OATH OR AFFIRMATION

State of Texas

ss.

County of BexarI, Bob A. Lilly, being duly sworn, depose (affirm) and say
(Full Name of Treasurer of Committee)that this Report of Receipts and Expenditures is complete, true, and correct.
Secretary

(Signature of Treasurer of Committee)

Subscribed and sworn to (affirmed) before me this 31 day of November, A.D. 1972

(Notary Public)

[SEAL]

PATRICIA L. BROWN
Notary Public, State of Texas
Issue. 10.23

RETURN COMPLETED REPORT AND ATTACHMENTS TO:

Office of Federal Elections
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

COMP. GEN. ELECTION 1

ITEMIZED EXPENDITURES—PERSONAL SERVICES, LOANS, AND TRANSFERS

DE

COMMITTEE FOR THROUGH AND OPEN AIRS (FEDERAL ELECTION
(Fed Name of Committee or Campaign)Part No. 10
(Use for itemizing Part 7, 8, or 10)SEE REVERSE SIDE FOR INSTRUCTIONS
(Use separate pages for each numbered Part)

Date (month, day, year)	Full Name, Mailing Address, and ZIP Code (occupation and principal place of business, if any)	Amount of Expenditure This Period
Oct. 23, '72	John Meyers Campaign Fund 921 2nd St. Covington, Indiana 47932 John Meyers Congressman (7th) (Indiana)	\$1500.00
Oct. 23, '72	Baker for Senate Campaign Fund Senate Office Bldg. Washington, DC Howard Baker US Senate (R) Tennessee	\$4000.00
Oct. 23, '72	Ed Jones Campaign Fund 1750-H Frayser Blvd. Memphis, Tennessee Ed Jones Congressman (8th) (D) Tennessee	\$2500.00
Oct. 24, '72	Barefoot Sanders Campaign Fund 2100 North Akard St. Dallas, Texas Barefoot Sanders US Senate (D) Texas	\$10,000.00
Oct. 24, '72	Ed Edmondson for Senate Club 219 W. 14th Street Muskogee, Oklahoma 74401 Ed Edmondson US Senate (D) Oklahoma	\$10,000.00
Oct. 27, '72	National Republican Senatorial Campaign Honorable Peter H. Dominick, Chairman 445 Old Senate Office Bldg. Washington, DC US Senators	\$150,000.00
Oct. 27, '72	National Republican Congressional Campaign Honorable Bob Wilson, Chairman 412 Congressional Hotel Washington, DC US Congressmen	\$150,000.00
Oct. 27, '72	Democratic Congressional Campaign Committee Suite 4200 Washington Hilton Hotel Washington, D.C. US Congressmen	\$62,500.00
Oct. 27, '72	National Republican Campaign Committee 412 Congressional Hotel Washington, D.C. US Congressmen	\$25,000.00

TOTAL THIS PERIOD
(Last page of this Part only)

DE

SCHEDULE D

ITEMIZED EXPENDITURES—PERSONAL SERVICES, LOANS, AND TRANSFERS

DR

COMMITTEE FOR THOROUGH AGRICULTURAL POLITICAL EDUCATION

Par No. 12

(Full Name of Candidate or Committee)

(Use for itemizing Part 7, 8, or 10)

SEE REVERSE SIDE FOR INSTRUCTIONS
(Use separate page(s) for each numbered Part)

Date (month, day, year)	Full Name, Mailing Address, and ZIP Code (occupation and principal place of business, if any)	Amount of Expenditure This Period
Oct. 27, '72	National Republican Senatorial Campaign Committee 445 Old Senate Office Bldg. Washington, D.C. <u>US Senators</u>	\$27,500.00
Oct. 27, '72	Democratic Senatorial Campaign Committee 130 Old Senate Office Bldg. Washington, D.C. <u>US Senators</u>	\$47,000.00
Oct. 27, '72	Bartlett for Senate Campaign 2462 E. 30th Tulsa, Oklahoma 74114 <u>Dewey Bartlett</u> <u>US Senate (R)</u> <u>Oklahoma</u>	\$1000.00
Oct. 27, '72	Nunn for Senate Campaign 1867 Parkers Mill Road Lexington, Kentucky <u>Louis B. Nunn</u> <u>US Senate (R)</u> <u>Kentucky</u>	\$1500.00
Oct. 27, '72	Thompson for Senate Campaign 2631 Hogan Road East Point, Georgia 30344 <u>Fletcher Thompson</u> <u>US Senate (R)</u> <u>Georgia</u>	\$1000.00
Oct. 27, '72	Domenici for Senate Campaign 720 Monroe, NE Albuquerque, New Mexico <u>Pete Domenici</u> <u>US Senate (R)</u> <u>New Mexico</u>	\$2500.00
Oct. 27, '72	Helms for Senate Campaign 1513 Caswell Street Raleigh, North Carolina <u>Jesse Helms</u> <u>US Senate (R)</u> <u>North Carolina</u>	\$1000.00
Oct. 27, '72	Arends for Congress Committee Melvin, Illinois 60952 <u>Leslie Arends</u> <u>Congressman (15th) (R)</u> <u>Illinois</u>	\$1000.00
Oct. 27, '72	Butler for Congress Committee 519 0th North Columbus, Mississippi 39701 <u>Carl Butler</u> <u>Congressman (2nd) (R)</u> <u>Mississippi</u>	\$500.00

TOTAL THIS PERIOD
(Last page of this Part only)

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